DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 41 Section 1 May 18, 1928.

DEPARTMENT APPROPRIATION BILL SIGNED

President Coolidge May 16 signed the Department of Agriculture appropriation bill carrying $139,000,000. (Press, May 17.)

HOUSE PASSES BARGE BILL

Described as an effort to develop cheap inland waterway transportation for the agricultural industry, the Denison bill to extend the Government barge lines upon the tributaries of the Mississippi River was passed yesterday by the House and sent to the Senate. Under the bill, the $5,000,000 capital of the Inland Waterways Corporation, which operates the Government barge lines, would be trebled. (Press, May 18.)

FEDERAL SALARY BILL

The press to-day reports that the House civil service committee will meet tomorrow and decide what action it should recommend with regard to the amended Smoot-Welch salary bill. The bill, as passed by the Senate Wednesday night, will lie on the Speaker's table meanwhile.

NEW YORK PORT ON COTTON DELIVERY

The New York Times of May 16 says: "The Maritime Association of the Port of New York May 15 sent telegrams of protest against the passage of the Vinson bill to members of Congress from New York and New Jersey, urging that they vigorously oppose its passage. The bill is known as the 'Cotton Futures Trading Act' and provides for delivery at southern ports of cotton contracted for at the New York Cotton Exchange. The Port of New York Authority led in the fight to defeat the bill ...."

CONGRESS ADJOURNMENT

The press to-day reports that Senator Curtis of Kansas, the Republican leader, announced in the Senate yesterday that he hoped Congress could adjourn on May 26.

REDISCOUNT RATE

In an effort to curb speculation, an advance in the rediscount rate of the Federal Reserve Bank of New York, an event that has been forecast for weeks during the wildest speculation and heaviest trading in the history of the New York Stock Exchange, was announced yesterday. The rate was moved up from 4 to 4½ per cent, which represents the second advance this year, the level having been raised from 3½ to 4 per cent on Feb. 3. (Press, May 18.)

STOCK MARKET

The New York Times of May 17 says: "A selling movement which gave no warning of its approach rocked the stock market violently May 16 and rolled up the largest volume of trading in the history of the New York Stock Exchange. Active stocks broke from 5 to more than 40 points before the wave of liquidation could be checked...."

Section 2

Cooperation in Kentucky

Edwin J. Paxton, president of the Evening Sun of Paducah, Ky., in a letter to the Manufacturers Record of May 17, gives some important and interesting information as to how, through the activity of a few people who did not know how to admit defeat, there has been developed in the Paducah farming region a remarkable illustration of diversification in agriculture, and in this case particularly in the raising of strawberries....In the course of his letter, Mr. Paxton says: "I was very much interested in an article on strawberries you published in a recent number, in which you reported what wonderful success two west Tennessee farmers had in leading a southern community, which had never thought of berries as a crop, to successfully producing them. We have done splendidly with strawberries in this county and our success has prompted the nearby counties in Kentucky and across the river in Illinois to go into berry culture, too; and the biggest incident in the entire movement, in my opinion, is that every one of the counties has joined the local, the McCracken County Growers' Association, body and is using one selling organization....Our organization has stressed quality, proper grading and packing and every season our fruit has brought an average of 50 cents a crate over other berries on the market, at the same time, by virtue of this fact...."

Filipino Farm Labor

Henry F. Misselwitz, writing from Manila to the press of May 13, says: "There is a distinctly noticeable movement of Filipino farm labor to the Hawaiian Islands and the United States. The exodus, however, is chiefly to Hawaii, where the natives of this archipelago are able to find living conditions somewhat similar, in climate at least, to the conditions in the Philippines. And their wages are considerably higher. The reasons behind this movement are readily discovered. In the first place, the agricultural development of the Philippines is proceeding very slowly. This is the basic reason. Less than 15 per cent of the available tillable land in the islands is under cultivation. As a result, with the population of the country increasing more rapidly than the country is expanding and developing its resources, the overflow is forced to look elsewhere for employment. Hawaii's sugar and pineapple plantations offer a solution to these poverty-stricken 'tao' or peasant farmers, and they emigrate in increasing numbers each year. It is estimated at least 55,000 Philippine farm laborers are employed in the Hawaiian Islands to-day...."

Future Economic Issues

W.M.Kipplinger, writing in American Bankers' Association Journal, says: "The big economic issues of the next five years will grow out of these conditions: I. The relations between the United States and Europe, with special reference to German reparations, the French and other war debts, disarmament, and the pull to draw the United States Government into political alignments with European governments. II. The tighter organization of our internal trade and industry, with special emphasis on better distribution, larger units, and the cutting of expenses. This latter must come in banking, as in other lines. III. Unemployment among industrial workers, which may be persistent. IV. The relative depression of agriculture, which may continue, though in a lessening degree. V. Government regulation of trade and industry, which will increase rather than decrease. VI. Tariff, which will be revised, somewhat downward, but which is not as fundamental an issue as others because the United States will continue to be committed to a policy of protection. VII. Larger banking units,

really incidental to the general movement toward stronger units in all lines, but deserving of special attention. VIII. Railroads, whose future as regards consolidation and regulation is far from settled. It is not merely whimsical to say that the full gasoline tank will provide a whole set of big economic issues in the next five years."

Italian Wool Standards — A Rome dispatch May 17 says: "The Italian Government has decided to experiment with the production and sale of standard tissues controlled by the State. A commission headed by Signor Bisi, Under-Secretary of State for National Economy, and composed of representatives of the Fascist Association of the Italian woolen industry, the Fascist National Traders' Confederation and representatives and experts appointed by the Ministry of Economy, has been intrusted with the task of carrying out this project.."

National Wealth — The New York Times of May 17 says: "A 4,400 per cent increase in the wealth of the United States since 1850 has carried the total worth of the country to $320,000,000,000, according to a compilation by the economist of Stone & Webster and Blodget, Inc. A survey of the American investment situation, soon to be issued by this firm, contains these comparisons of the present day with 1890: Population has increased from 62,000,000 to 117,000,000; 18,500,000 telephones have been installed, and wireless telegraphy, radio and television developed; the value of manufactures has increased from $9,372,379,000 to $62,700,000,000; tons of freight carried by railroads have increased in value from$77,200,000,000 to$444,000,000,000; farm products have increased in value from $2,460,000,000 to $19,700,000,000; exports have risen from $850,000,000 to $4,870,000,000; individual deposits in banks have increased from $4,060,000,000 to $48,880,000,000; 23,000,000 automobiles have been built, and a debt to Europe of $600,000,000 replaced by a credit abroad of about $14,000,000,000."

New York Health Officials — The New York Times of May 17 reports that a drastic shake-up in the Health Department was announced yesterday by Health Commissioner Harris, who said that no charges of graft were involved. James E. Thomson, Acting Director of the Bureau of Food and Drugs, which has charge of all milk inspection, was retired from the department Tuesday, Doctor Harris said. Andrew Reitwiesner, Assistant Director, has been designated to succeed him. Inspector Alfred V. Blewett has been assigned to a new office, that of Supervisor at Large of County Milk Inspection. He will have charge of all Health Department activities at the sources of supply in the New York milk shed, which is the area approximately 400 miles about the metropolis. The Sanitary Bureau and the Bureau of Foods and Drugs are to be merged, according to Doctor Harris's present plans. This will give a force of about 250 inspectors, who may be mobilized in time of need for health policing in the city.

Nitrogen — An editorial in The American Fertilizer for May 12 says: "Great Britain, France, Germany and Italy will all soon be producing more synthetic nitrogen than their home markets can use. This explains the international nitrogen conferences, which are held from time to time. There is urgent need for the development of new markets. The United States and Japan, which have been the largest importers, will soon supply their own needs, if they do not join the

ranks of the exporters. It is not clear at present where these new markets will be found. India and China are both potentially large users of nitrogen, but the East moves with discouraging slowness, and the acceptance of western ideas is a matter of generations rather than of years. The smaller countries of Europe will no doubt buy more nitrogen, and the markets of the producing countries will expand as the price falls. This abundance, not to say surplus, of nitrogen is likely to work great changes in the agriculture of the world. It will also raise the standard of living in many countries, where hundreds of millions of people are constantly on the verge of starvation."

Wheat Rate Study The Interstate Commerce Commission is unable to advise the Senate the aggregate amount that would be realized annually by American shippers of wheat and other grains over and above that now realized during any twelve-month period were the rates and freight on such grains on American railroads no higher than they are on Canadian railroads for like distances. The statement in the press of May 17 says: "A report was submitted to the Senate by the commission in response to the Walsh resolution asking for certain information regarding wheat rates in the United States and Canada....After giving a comparative schedule of American and Canadian rates on wheat the commission pointed out that the heaviest grain production in Canada is in the western provinces and that Canadian rates are lower, distance for distance, than are the corresponding rates from the Northwestern States, such as Montana and North Dakota. In the United States, however, grain production is distributed over a large area, such States as Illinois, Minnesota, Kansas, Nebraska, Oklahoma, Texas and many others being heavy producers. The commission declared that it is difficult to make satisfactory comparisons under like conditions of rates on grain produced in parts of the United States other than the Northwest with rates on grain produced in the western Canadian provinces...."

Section 3

Department of Agriculture That the purity and wholesomeness of our food supply and the integrity and potency of such drugs as are used for therapeutic purposes and in preventive medicine have a profound bearing on the health of the public may be regarded as accepted facts, declares Walter S. Frisbie in an article in the Home Economist. Food and drug legislation aim to secure freedom from adulteration whether of a character injurious to health or not, and require truthfulness in labels, he says. "Food and drug laws of any type or character can not be administered to the best interest of the public without effective cooperation on the part of the enforcing officials," Mr. Frisbie says. "It should be noted that the penalty for the shipment of dangerous or contaminated shellfish is still the one provided by the Federal Food and Drugs Act, the enforcement of which rests in the Department of Agriculture, working in harmonious cooperation with the Public Health Service. More recently, when the typhoid fever situation came to the attention of the Department of Agriculture, an appeal was made to the Public Health Service to secure complete information to determine whether the facts would warrant imposing an embargo against milk emanating from the affected regions and imported into the United States. The Public Health Service immediately responded and

as a result of its advice an embargo was placed against such Canadian milk as was liable to carry typhoid infection. Similar cooperation has been repeatedly demonstrated between the United States Department of Agriculture and the various State and city governments which have the enforcement of health, food and drug laws, and there are many instances of close coordination between the State officials and city and country officials for enforcing similar laws with respect to food and drugs. This cooperation can and should be extended. If food and drug laws are not assigned to health departments, it ought to be possible to secure the cooperation of these officials in times when the public faces a grave danger from the character of food supplies, and such independent organization in which legislation of this character has been vested should lose no opportunity to bespeak the advice and counsel of those competent on health matters."

Section 4

Farm Products

MARKET QUOTATIONS

May 17. Grain prices quoted: No. 1 dark northern spring (13% protein) Minneapolis $1.71¼ to $1.75¼. No.2 hard winter (12½% protein) Kansas City $1.57½ to $1.63. No.2 red winter Chicago $1.90½. No.2 hard winter (not on protein basis) Chicago $1.52; Kansas City $1.46 to $1.48½. No.3 mixed corn Chicago $1.02½; Minneapolis 97 to 99¢; Kansas City 96 to 97¢. No.3 yellow corn Chicago $1.04¾ to $1.05¾; Minneapolis $1.02 to $1.03; Kansas City $1.01½ to $1.02½. No.3 white oats Chicago 64 to 69¢; Minneapolis 60 5/8 to 62 5/8¢; Kansas City 68½ to 69¢.

Livestock prices quoted: Steers, good and choice, $13.25 to $15; cows, good and choice, $9.25 to $12.25; heifers, good and choice, $12.50 to $14; vealers, good and choice, $12.50 to $15; feeder and stocker cattle, steers, good and choice, $11.50 to $12.75; heavy weight, medium, good and choice, $9.25 to $9.75; light lights, medium, to choice, $7.40 to $9.50; slaughter pigs, medium, good and choice, (soft or oily hogs and roasting pigs excluded from above quotations) $7 to $8.50; Slaughter, sheep and lambs: Lambs, good and choice, $15.25 to $16.65.

Wholesale prices of fresh creamery butter at New York were: 92 score, 46½¢; 91 score, 46¢; 90 score, 45½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 22½ to 23¢; Single Daisies, 24¢; Young Americas, 25½ to 26¢.

May future contracts on the New York Cotton Exchange advanced 35 points to 21.42¢, and on the New Orleans Cotton Exchange they advanced 40 points to 20.98¢. On the Chicago Board of Trade May futures were up 30 points at 20.98¢. The average price of Middling spot cotton in 10 designated markets advanced 38 points to 20.81¢ per lb. On the same day last season the price stood at 15.46¢.

Florida Spaulding Rose potatoes sold at a range of $3.75-$5 per barrel in city markets; $3 f.o.b. Hastings. Louisiana and Texas sacked Bliss Triumphs closed at $3-$3.25 per 100 pounds carlot sales in Chicago. Maine sacked Green Mountains $1.65-$2.15 in eastern cities; bulk stock 75¢-85¢ f.o.b. Presque Isle. New York Baldwin apples brought $8-$8.50 per barrel in a few markets. Virginia Yellow Newtowns $9-$9.50 in New York City. Arkansas and Tennessee Klondike strawberries $4.50 per 24-quart crate in Chicago. North Carolina Klondikes 18¢-23¢ quart basis in the East.(Prepared by Bu. of Agr. Econ.)

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Vol. XXIX, No. 42 Section 1 May 19, 1928.

PRESIDENTIAL VETOES The press to-day reports that President Coolidge yesterday vetoed eight bills. One of these was the Oddie bill to appropriate $3,500,000 for roads on the public domain and on Indian reservations.

SECOND DEFICIENCY BILL The House yesterday passed and sent to the Senate the second deficiency bill, carrying appropriations totaling $107,000,000. This sum includes an item of $5,000,000 for the purchase of privately-owned property on the Pennsylvania Avenue-Mall triangle at Washington. (Press, May 19.)

FEDERAL SALARY BILL The Washington Post to-day says: "President Coolidge probably would exercise his veto if the House approved the Smoot-Welch bill as it was amended and passed by the Senate, it was stated officially at the White House yesterday. The President, it was said, regards as satisfactory the Welch bill as passed by the House and is willing to sign it. To-day the fate of the pay-raise bill hangs in the balance. If the House approves the more expensive bill, the President probably will veto it and there will be no raises at all. If it insists on its own bill, the employees are certain to get $18,000,000 in raises...."

INCOME TAX LEGISLATION The Associated Press to-day reports: "With just one-half of the membership voting, the Senate yesterday amended the tax reduction bill to provide for opening of all income tax returns to public inspection hereafter, 27 to 19. The action, which came as somewhat of a surprise, reversed the decision of Congress two years ago to abolish the law enacted in 1924 which permitted publication of the taxes paid..."

REAPPORTIONMENT BILL REJECTED By a vote of 186 to 165 the House yesterday rejected the Fenn reapportionment bill for this session by sending it back to the census committee, which had reported it. The bill provided for a reapportionment of representation in the House under a plan based on the estimated census of 1930 which would have retained the present membership of 435. (Press, May 19.)

COTTON EXCHANGE HEAD Gardiner H. Miller was nominated yesterday to be president of the New York Cotton Exchange, to succeed Samuel T. Hubbard, jr., who has held the office for two years. John H. McFadden, jr., was nominated for vice president to succeed Mr. Miller. (Press, May 19)

COOKSEY REAPPOINTMENT George R. Cooksey, of Washington, was reappointed yesterday a director of the War Finance Corporation by President Coolidge. Cooksey also is a member of the Federal Farm Loan Board. (Press, May 19.)

Section 2

Farm Price Adjustment

An editorial in Pennsylvania Farmer for May 19 says: "A professor of political economy, Dr. Gustav Cassel, of the University of Stockholm, speaking before a group of educators, financiers and business men of this country said: 'Adjustments between the prices of farm products and industrial products must be made if the world is to progress along sound economic principles.' Every once in a while a prophet appears who can see beyond the immediate present and warns the financial and business world that agriculture must share in prosperity if others are to continue prosperous. But, on the whole, business men heed little and remember less on this subject. Through organization, labor has pushed up wages, and by the same methods industrial employers have developed manufacturing and selling systems to insure adequate returns, while the nature of the farming business has compelled farmers to work largely as individuals. The result is that returns from farming are made on the basis of antiquated systems and it is extremely difficult to devise others. In fact, it can not be changed without the political and economic help or consent of other industries. This they have been slow to give or concede, and it is this that far-sighted economists plead for. It would be a good thing to make the study of ancient history a required subject in the education of prospective business men. From it they would learn that every nation which failed to foster agriculture failed sooner or later."

Farm Situation

William E. Dodd is the author of an extensive historical and analytical article entitled "Shall Our Farmers Become Peasants" in The Century Magazine for May. He says in part: "If one looks over the wide landscape, South and West, there appear empty and dilapidated houses and shabby fences; fields giving certain evidence of poor economy and decided erosion. There are automobiles to be sure and good roads, both of which tend to raise land values without raising the prices of farm products and at the same time to hurry farmer's children to the towns and cities. Over half the farmers are now tenants; and half of those who own lands are bound fast by mortgages and hardly able to obtain credit in the farm loan banks set up for their benefit. There are some successful farmers, owners of large tracts of land with tractors and machinery and day laborers to man them: such men earn somewhat more than their pay-rolls and the taxes--men who hold on to the homes of their forebears or men who, having made fortunes in industry, have retired to broad acres in the country, like English business men of the eighteenth century. But these are not the farmers who made the United States...Two million farmer folk have abandoned the land since 1920, six hundred thousand in the year 1926. The city and not the wilderness is now the appeal, the ancient longing for a freehold, a place where one is one's own master no longer exists....The farmer is on the way to peasantry. Is there a desire to deflect his course? Do the powerful in the United States wish to deflect it? I doubt it. But if they do, the remedy is not an easy one. A declining rate of tariff taxation would give the greatest relief. But a steadily falling tariff would lead to violent business protests. A reclassification of freight rates would assist; but railroad managers and their army of workers would resist to the extreme--there might be Nation-wide strikes. A decentralization of accumulated capital, already dangerous in its greatest center, would take some money from imperialistic ventures in foreign lands and make money easier in farm loan banks; but financiers would make their powerful opposition felt

in a moment. More important, the city markets might be opened to farmers, but an army of distributors and middlemen would resent the first move that was made and denounce it as socialism. Some governmental assistance might be given to the organization of the farmers and to the seasonal warehousing of their surplus; and this would mean much....A people with an annual income of ninety billions ought to be able to lend some assistance to its farmers with the lowest average effective income since the inauguration of George Washington....Two million farmer folk abandoned their lands between 1920 and 1926. No farm problem?..."

Food Prices

The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for April 15, 1928, an increase of about five-tenths of 1 per cent since March 15, 1928; a decrease of about 1 per cent since April 15, 1927; and an increase of a little over 55 per cent since April 15, 1913. The index number (1913 = 100.0) was 153.6 in April, 1927; 151.4 in March, 1928; and 152.1 in April, 1928. During the month from March 15, 1928, to April 15, 1928, 18 articles on which monthly prices were secured increased as follows: Cabbage, 31 per cent; onions, 17 per cent; pork chops, 9 per cent; beans, navy, 7 per cent; leg of lamb and oranges, 4 per cent; potatoes, 3 per cent; flour and cornmeal, 2 per cent; sirloin steak, round steak, rib roast, chuck roast, plate beef, hens, and prunes, 1 per cent; and ham and coffee, less than five-tenths of 1 per cent. Thirteen articles decreased: Butter, 4 per cent; strictly fresh eggs, 3 per cent; bananas, 2 per cent; fresh milk, evaporated milk, oleomargarine, cheese, rolled oats, cornflakes, macaroni, and rice, 1 per cent; and bacon and tea less than five-tenths of 1 per cent. The following 11 articles showed no change in the month: Canned red salmon, lard, vegetable lard substitute, bread, wheat cereal, baked beans, canned corn, canned peas, canned tomatoes, sugar, and raisins.

Hines on Cotton Industry

A Richmond, Va., dispatch May 18 says: "...President Hines of the Cotton Textile Institute, in addressing the convention of cotton manufacturers on May 17, brought forward the plan of consolidation of many mill properties, a stronger cooperative effort and an abandonment of the theory of 'survival of the fittest' as suggestions for making further progress in placing the cotton industry of the country on a sound foundation....He discussed the effect of the curtailment of production that has been going on in the industry and said that one of the results of the attitude on the part of some mills not to aid this movement in the lessening of overproduction was that they aided in keeping prices at artificially low levels and below the usual cost of production which flows from overproduction. He asked if it were not fair to suggest that their own interests would have been better promoted if they had participated in correcting a general condition of overproduction whose existence was contrary to their own and to the public interest...."

Land Settlement In Oregon

An editorial in The Oregon Farmer for May 10 says: "As a result of the activities of the land settlement department of the Oregon State Chamber of Commerce, 226 farm families purchased 11,295 acres of land in Oregon during the six months ending March 31, their total investment being $774,550. The biggest month of the period was

December, when 63 families with investments of $234,000 were located. In October the record was 46 families with investments of $143,050, and in March 33 families with investments of $121,850. Manager W.G.Ide reports that these results were accomplished entirely through follow-up work and without investing a single new dollar in advertising. Inquiries still come in at the rate of several hundred each month as result of previous advertising campaigns and follow-up work. Arthur Foster, field man for the chamber, will spend the entire summer in the Middle West calling upon prospective settlers who have written of their desire to come to Oregon, and cooperating with the field forces of railway immigration departments."

Ousley on Texas Agriculture

Colonel Clarence Ousley, director of the Texas Safe Farming Association, in the course of a letter from Dallas to the Manufacturers Record for May 17, says: "It is true that many of our farmers are cotton-minded and whenever the price promises a little better than the cost of production they can not resist the temptation to plunge on cotton production mainly, or entirely. But, happily, many men who have heretofore been under the cotton habit realize that dependence upon cotton alone is an unsafe method. They have been influenced by many sad experiences, and particularly by the firm attitude of bankers and merchants doing business with them. For the most part, those bankers and merchants who were formerly almost as cotton-minded as the farmers themselves have come to realize that cotton alone is not a safe basis for credit and they have in some instances even required that the cotton producing debtor shall raise his own home supplies. We are not yet out of the woods in this respect, although we have traveled a considerable distance toward better farming and a safer basis of credit and business prosperity...."

Sugar Industry in Europe

An Associated Press dispatch May 18 from Geneva says: "An exhaustive inquiry into the crisis in the sugar industry by the League of Nations seems a certainty. The special sugar committee of the International Economic Conference agreed May 17 upon the text of a resolution emphasizing the world-wide importance of the problem and the desirability for its urgent treatment and recommended to the council of the league to request the league's economic organization to undertake as soon as possible an investigation of all the factors influencing the production, consumption and international commerce in sugar with the assistance of experts. The council would subsequently decide whether a special international conference would be the best means of finding a solution. A telegram was received from the Beet Sugar Federation of Prague emphasizing the importance of the beet sugar industry to European economy, declaring that no durable solution of the sugar problem is possible without taking into account the interests of beet sugar producers...."

Section 3
MARKET QUOTATIONS

Farm Products May 18: Livestock quotations at Chicago on slaughter steers, good and choice, $13.25-$15; cows, good and choice, $9.25-$12.25; heifers, good and choice, $12.50-$14; vealers, good and choice, $12.50-$15; feeder and stocker steers, good and choice, $11.50-$12.75; heavy weight hogs, medium, good and choice, $9.35-$9.90; slaughter pigs, medium, good and choice, $7-$8.50; slaughter lambs, good and choice, $15.25-$16.65.

Louisiana and Alabama sacked Bliss Triumphs $2.75-$3 per 100 pounds in midwestern cities. Florida Spaulding Rose mostly $4-$4.75 per barrel in the East; $3 f.o.b. Hastings. Wisconsin sacked Round Whites $1.25-$1.40 per 100 pounds carlot sales in Chicago. Texas Yellow Bermuda onions $1.25-$1.90 per standard crate in consuming centers; mostly $1 f.o.b. Laredo. South Carolina pointed type cabbage $1.25-$2.25 per 1½ bushel hamper in eastern cities. Alabama and Mississippi pointed type mostly around $4 per barrel crate. California Salmon Tint cantaloupes $5.50-$6 per standard 45 in midwestern cities and $7-$10 in the East.

Closing price of 92 score butter at New York was 46½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats, 22½¢-23¢; Single Daisies 24-24½¢; Young Americas 25½¢-26¢.

Average price of Middling spot cotton in 10 designated markets declined 26 points to 20.55¢ per lb. May future contracts on the New York Cotton Exchange declined 25 points to 21.17¢, and on the New Orleans Cotton Exchange they declined 21 points to 20.77¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.73-$1.79. No.2 red winter, Chicago $1.89½; Kansas City $1.76-$1.80. No.2 hard winter, Chicago $1.52; Kansas City $1.48-$1.50. No.3 mixed corn, Chicago $1.04; Minneapolis 96½-98½¢; Kansas City 97½¢-98½¢. No.3 yellow corn, Chicago $1.06-$1.07¼; Minneapolis $1.01½-$1.03½; Kansas City $1.02½-$1.03½. No.3 white oats 65¢-70¢; Minneapolis 61¼¢-63¼¢; Kansas City 69-69½¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIX, No. 43 Section 1 May 21, 1928.

FEDERAL SALARY BILL The Washington Post to-day says: "The Smoot-Welch bill, as amended and passed by the Senate nine days ago, probably will be sent to conference by the House to-day....If the House sends the bill to conference, Speaker Longworth probably will appoint the House conferees immediately. They will be five in number and will be headed by Representative Lehlbach, chairman of the House civil service committee. Vice President Dawes is expected to appoint the Senate conferees as soon as the House has acted. They will be headed by Senator Dale of Vermont, chairman of the Senate civil service committee, and will include Senators Couzens of Michigan; Brookhart of Iowa; McKellar of Tennessee, and George of Georgia. The conferees are expected to work out a bill that will be acceptable to all concerned--the House, the Senate and the President...."

MUSCLE SHOALS BILL Agreement was reached yesterday by conferees of the Senate and House on the Norris-Morin Government operation Muscle Shoals bill. The compromise, which will be put to an early vote in both Houses, includes the House plan for creation of a Federal corporation to operate the properties for the manufacture of both fertilizers and nitrates and the sale of power. (Press, May 21.)

CIVIL SERVICE APPOINTMENTS A resolution by Senator Heflin calling for an investigation of appointments and dismissals in the civil service since July 1, 1919, was adopted by the Senate May 19. The resolution calls for the appointment of a special committee to conduct the investigation. The sum of $2,500 is authorized for expenses. Heflin decided to introduce the resolution after reading a statement by William C.Deming, president of the Civil Service Commission, that the number of persons appointed to the Federal service from the District of Columbia, Maryland, Virginia and other States was 10,000 in excess of the quotas to which they are entitled.(Press, May 20.)

IMMIGRATION BILL Representative Welch of California introduced a bill May 19 to exclude citizens of the Philippine Islands from the United States, according to the press of May 20.

FARM LOAN CONFERENCE The press to-day reports that following the established custom of the Farm Loan Board to call officials of the Joint Stock Land Banks together for conferences twice each year, officials of the banks are assembling in Washington for a two-day conference with the Federal Farm Loan Board. The first conference will be held to-day when the governors of the twelve land bank districts will meet with the Farm Loan Board for discussion of conditions in the sections which they represent, a study of the reports of the Joint Stock Banks and a review of the policies now in force as well as the consideration of future policies.

Section 2

Industry and Agriculture in South

An editorial in Southern Cultivator for May 15 says: "Southward the course of industrial empire wends its way. The last few years have seen a tremendous impetus in all kinds of industrial development in the Southeast, particularly textile. And the movement goes on apparently in ever-increasing importance....The Carolinas have been more developed industrially than other Southern States from a textile standpoint, but with the continued steady march of industries of that type in this direction the development is spreading out, until many other sections are sharing in the activity and prosperity that it is bringing. And all of this helps the southern farmer immensely--it creates new markets at his door, almost, for additional cash crops. The industrial communities produce new wealth, but are consumers and not producers of food. And a large share of their demands in this direction is for fresh foods, such as the nearby farmer can produce in better quality and at less cost to them and more profit to himself because of the elimination of the middleman, shipping losses and other costs common to marketing products at a distance. So the farmer is a direct heavy beneficiary of the industrialization of the South. He is glad the mills are coming and will be found among those who want to see them treated fairly and given full opportunity to prosper."

Mississippi Conditions

"Better days for southern agriculture, industry and education were seen by outstanding men of the South and the Nation, addressing the Delta Economic Conference at its three-day session at Clarksdale, Miss., under the auspices of the Mississippi State Board of Development. Industry has its eyes on the South, the conference was told by Dr. James S. Thomas, of the University of Alabama, a nationally known economist, and by Dewitt Carter of Caldwell & Co., Nashville, Tenn. 'Industrial development is needed,' Doctor Thomas assured the delegates, 'to make the most of the South's vast agricultural possibilities.' He pointed out that Mississippi's ratio of 88 rural workers to 12 city dwellers was not wholesome for agriculture, and went on to show how southern prosperity is to be developed by the coming in of more industries that give the South 'more complete lines of merchandise.'...A spirited plea to promote and exploit the vast resources of the Mississippi Delta was voiced by Joe W. George, legislator from Greenwood, who pointed out that the apparent settling of the flood control issue means untold development for this area, with great increases in land values...." (Manufacturers' Record, May 17.)

North Carolina Agriculture

F.H.Jeter, Agricultural Editor, North Carolina State College of Agriculture and Engineering, writing to Manufacturers Record for May 17, says: "One who travels through southeastern North Carolina can not fail to get an idea that the agriculture of this section is rapidly improving. There are many evidences of modern farming, much interest in better balanced systems of agriculture and a decided trend towards hay crops, pastures, poultry, livestock, dairying and other diversified interests. No one county is a better example of this trend than Robeson. 'We have shipped four cars of shelled corn from one section of this county this spring,' says J.A.Sharpe, editor of the Robesonian and a man who keeps in close touch with the agricultural interests of his section. 'Nor did the men making these shipments deprive themselves of any corn needed later. I am informed by one of the

largest supply merchants in the Pembroke section of our county that the farmers have for two years raised all the corn and meat that they need. Little of these two standard food products is being shipped in.' Mr. Sharpe also states that his county is taking much interest in dairying....The county is turning to truck crops, states Mr.Sharpe. About 40 cars of snap beans were shipped last year and the amount will be increased this year according to records in the county agent's office. The new methods of farming in Columbus and Brunswick Counties have already attracted State-wide notice. The farmers of both counties have about abandoned the growing of cotton and both counties are adding new crops. The strawberry crop is still the great wealth producer of Columbus...."

Retail Credit Survey

The Department of Commerce, in conjunction with the National Credit Association, has undertaken a survey of the retail credit situation. Not only will the study seek to establish the totals of credit ordinarily extended by retailers to individual consumers, but some research into the growth of installment selling as compared with the older systems of monthly and quarterly settlements of accounts will be undertaken. Secretary Hoover recently said that estimates were that $1,000,000,000 was lost each year in the retail credit field, and that possibilities of bettering the service and reducing the wastage were indicated. One of the objects of the survey will be to prove or disprove the estimates.(Press, May 21.)

Roadside Markets

An editorial in Farmstead, Stock & Home for May 15 says: "In Massachusetts people from the cities have established roadside stands for the sale of fruits and vegetables, which have been bought in the city markets, taken to the country and sold to motorists as freshly gathered. On the face of it, this is a fraud and works against the interest of farmers in two ways. It makes competition, not only in selling, but for desirable locations for stands, but when a buyer finds he has been stung, he is spoiled as a customer, even for the farmers who are selling good stuff. The situation got so bad that a law was enacted that no one could operate a roadside stand, even on his own land, without a license. There was some opposition to the law by farmers who could not see, at the time, that it was intended for their protection. Michigan is facing the same situation as existed in Massachusetts and is contemplating the enactment of a similar law. As far as Minnesota is concerned, we have not heard any complaints of counterfeit farmers operating roadside stands, but they may be doing so to some extent in the neighborhood of the larger cities. It would be a good idea for farmers who run such stands to investigate any strangers who may be operating as roadside merchants in their neighborhood next summer. The time to stop this is at the start. There is all the competition needed to insure fair treatment to buyers, by the number of real farmers who sell their produce by the roadside method--a perfectly legitimate and profitable way of doing business. It benefits the buyer by enabling him to get fresh produce at a reasonable price and helps the producer by cutting down transportation and other selling costs."

Russia An editorial in The Wall St. Journal for May 18 says: "What Col. Hugh L. Cooper says for recognition of Soviet Russia is the calm reasoning of a business man and eminent engineer, possibly influenced somewhat by his professional relations with Moscow but free of the sentimental and sociological twists which mark most utterances on that side of a question which can hardly be dignified with the name of controversy. Colonel Cooper says, in effect, that the Communistic government has done something for Russia since the breakdown of the ancient regime and will do more hereafter; that the revolutionists will gradually reconcile themselves to living in the same world with believers in the western economic system and that the peace and wellbeing of mankind require that 140,000,000 Russians and 120,000,000 Americans cultivate friendly relations. All that and more may cheerfully be granted. Colonel Cooper urges recognition, but only upon the terms insisted upon long ago by our State Department....Colonel Cooper believes that the Russian ruling group 'will have to modify in a very substantial way their attitude toward private capital,' and that such modification will 'come gradually from within and not be dictated from without.'..."

Stock Index A New Haven dispatch to-day states that the weekly index number of Stock Exchange prices, compiled by Professor Irving Fisher and based on the week's fifty most active industrial stocks, reckoned on their average of 1926 as 100, is 381.1. This compares with 365.6 the week before, 350 two weeks ago, 336.1 three weeks ago and 343 four weeks before. This week's average is the highest for the year to date; the lowest was 253.9, for the week ended Feb. 24.

Sugar Propaganda in Germany Dr. E. Preissler, president of the central association of the German sugar industry, writes in Facts About Sugar for May 12 as follows: "The very extensive program of propaganda in behalf of sugar that is being carried out by the German sugar industry includes such a number of activities that not all of them can be described in detail within the limits of a short letter, but I shall endeavor to present a brief summary of the principal lines of attack. These include the use of display advertising, the use of motion pictures, the dissemination through the press of articles by scientific authorities explaining the food value of sugar, and the widespread distribution of information as to various means of utilizing it in the households....A very important branch of the general campaign is the presentation of articles relating to sugar through the press. Up to date we have been able to present to the readers of nearly 1,000 daily newspapers and women's papers articles written by distinguished authorities on the physiology of nutrition. These articles impress the high food value of sugar and the important place it should fill in satisfying nutritional needs...."

Section 3
MARKET QUOTATIONS

Farm Products May 19. Livestock quotations on heavy weight hogs, medium, good and choice, $9.35-$9.90; light lights, medium to choice, $7.60-$9.75; slaughter pigs, medium, good and choice, $6.75-$8.25.

Florida Spaulding Rose potatoes $4.25-$5 per barrel in northern cities; $3-$3.25 f.o.b. Hastings. Louisiana and Alabama sacked Bliss Triumphs $3 per 100 pounds on the Chicago carlot market. Maine sacked Green Mountains $1.50-$2.30 in eastern cities; bulk stock mostly 85¢ f.o.b. Presque Isle. California Salmon Tint cantaloupes $5-$9 per standard 45 in terminal markets; $2.40-$2.75 f.o.b. Brawley. Texas yellow Bermuda onions $1.25-$1.90 per standard crate in consuming centers; mostly $1 f.o.b. Laredo. South Carolina pointed type cabbage $1.25-$2 per 1½ bushel hamper in eastern markets. Alabama and Mississippi pointed type in Chicago $3.50-$3.75 per barrel crate.

Closing price of 92 score butter at New York was 46½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 22½¢-23¢; Single Daisies 24-24¼¢; Young Americas 25½¢-26¢.

Average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 20.50¢ per lb. May future contracts on the New York Cotton Exchange declined 6 points, closing at 21.11¢, and on the New Orleans Cotton Exchange they declined 3 points, closing at 20.74¢.

Grain prices quoted: No.2 red winter wheat at Chicago $1.89½; Kansas City $1.70-$1.75. No.2 hard winter, Chicago $1.52; Kansas City $1.48-$1.50. No.3 mixed corn, Chicago $1.04½; Kansas City 98¢-99¢. No.3 yellow corn Chicago $1.06½-$1.07; Kansas City $1.03-$1.04. No.3 white oats, Chicago 65-69¼¢; Kansas City 69-69½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 44 Section 1 May 22, 1928.

ROAD BILL Authorization of a $150,000,000 appropriation for the continuance of the Federal aid highway program in 1930 and 1931 is proposed in a Senate bill passed yesterday by the House. The measure now goes to the President. The proposed program would expend $75,000,000 a year. For building forest roads and trails the annual allotment of $7,500,000 for the first two years would be available. (Press, May 22.)

SENATE PASSES TAX BILL Carrying a total tax reduction of $205,875,000, or $83,825,000 less than the cut of $289,735,000 approved by the House, the 1928 revenue bill was passed in the Senate last night by a viva voce vote. The Senate bill is only $4,000,000 above the "safety limit" of $201,000,000 urged by Secretary Mellon with the approval of President Coolidge. The Senate measure now goes to conference with the House, whose tax revision plans the Senate altered materially during its debate which began May 3. (Press, May 22.)

MT. VERNON HIGHWAY BILL The press to-day says: "A magnificent memorial highway linking the Arlington Memorial Bridge with Mount Vernon was virtually assured yesterday when the House passed the Swanson-Moore bill. The bill, which already had passed the Senate, passed the House by a rising vote of 177 to 61. It now goes to the White House for the President's signature....The bill authorizes a maximum expenditure of $4,500,000 on the highway, and provides for its completion by 1932, the 200th anniversary of the birth of George Washington...."

FEDERAL SALARY BILL The Washington Post to-day reports: "A compromise bill to raise the pay of Government workers may be whipped into shape to-day. If it is, the Senate and House will be asked to approve it tomorrow, and it then will go to the White House for the President's signature. The Senate and House conferees on the amended Smoot-Welch bill, who were named yesterday, held a conference yesterday afternoon, and, after a general discussion, agreed to meet again at 11 o'clock this morning. It is expected that the conferees will know in advance what the President's attitude will be before they agree on the final provisions of the bill. When the conferees meet this morning they will call as witnesses several Government fiscal experts. It will be the task of these experts to let the conferees know with some degree of certainty just how much would be added to the Government pay roll by the bill as passed by the Senate...."

CENSUS BILL May 1 would be the date set for the 1930 decennial census, which would embrace both population and agriculture, under the Fenn bill passed yesterday by the House and sent to the Senate. Besides all the States, Alaska, Porto Rico, Hawaii, Guam, Samoa, the Panama Canal Zone and the Virgin Islands would be included in the enumeration. (Press, May 22.)

Section 2

Agricultural Outlook in Iowa

An editorial in The Iowa Homestead for May 17 says: "The agricultural outlook for 1928 is more promising than has been the case for several years, a fact that is quite fully appreciated in Iowa and the Corn Belt as well as in other sections of the country. With the recent upturn in hog prices which is expected to be more pronounced as the season advances, and with prospects for strong prices to continue for at least a year or more, farmers feel much encouraged. The beef market is on an excellent basis and those who will buy their feeder cattle with discrimination and not become too enthusiastic over high prices of fat cattle, evidently have an opportunity for getting good returns from their feeding operations. Dairy products are bringing remunerative prices and producers who are paying strict attention to weeding out the so-called boarders from their herds and who are feeding their good cows liberally on well balanced rations have nothing to fear. They are on a sound basis and bound to make money. So far there is no indication of any surplus of dairy products for some time to come. Reduced pasturage this spring will no doubt materially cut down production during June and July as compared with normal for that period. In a great many cases it will pay to feed more grain than usual during the next few months. Prices of corn, wheat, rye and other grains are all considerably higher than a year ago. Cattle hides are bringing scarcity values and wool prices are firm with a good demand. Cotton is quoted at fully 6 cents a pound over prices prevailing at this time last year and good cotton prices are usually reflected in the Northern States and no doubt will be this year. With this favorable situation in the field of agriculture at a time when nonagricultural commodities have not advanced in a corresponding manner the disparity between the farmer's dollar and the dollar of the commercial world will be far less pronounced this year than it has been at any time since the deflation of 1920."

Beet Sugar Head

A New York dispatch May 20 states that Sidney W. Sinsheimer of Denver, Colo., has been elected president and chairman of the board of directors of the American Beet Sugar Co., effective June 1. Both positions were left vacant by the resignation of R. Walter Leigh. Sinsheimer will serve as managing director until June 1.

British Agriculture

Country Life (London) for May 12 says: "...Meanwhile, there is another matter of vital importance--to which we have called attention over and over again in these pages--on which the Landowners' Association lays great stress in its report. This is the need for the better organization of the marketing of agricultural produce. As has been said over and over again, the measure of the farmers' failure is the difference between the price at which he sells and the price at which the consumer buys. This colossal difference, which pours into the pockets of the middlemen and the retailers, will never be reduced until there come into being orderly marketing methods and a system of standardization, grading and bulking which will make it easy and reasonable for the British public to acquire the habit of asking for British produce on all occasions. Obviously, however, the setting up of an agricultural credits scheme and the abolition of agricultural rates do not exhaust the possibility of Government help for the farmer. ...There is no reason why an effective preference should not be given, both as regards postage and railway freights, to agricultural produce--

especially at a time when the Government is urging the farmers to organize their marketing scientifically. There is no reason--or very little reason--why a small duty should not be placed on imported malting barley. What small disadvantage the plan has would be greatly outweighed by the moral effect it would have upon the farmer. Nor is there any valid reason that we can see why a heavy duty should not be placed on imported milled flour. Its results in restoring prosperity to our milling system and providing us with the cereal offals which we greatly need would be invaluable. Another matter to which the Government ought certainly to turn its attention is the provision to farmers of properly bred and selected cereal seeds. Lastly, there is the ever-important question of pig breeding...."

Canadian Cooperative Conference

The St.Paul Farmer for May 19 says: "From June 5 to 7 an important cooperative conference will be held at Regina, Saskatchewan. Cooperative marketing associations engaged in marketing livestock, dairy products, wool, fruit, poultry, and other products from all parts of the world have been asked to attend this conference, which is to be staged under the auspices of the International Wheat Pool Conference Committee. While the United States has been fortunate in holding a number of national conferences on the question of cooperation, first under the auspices of the National Council of Farmers' Cooperative Marketing Associations, and later under the auspices of the American Institute of Cooperation, according to our knowledge this is the first time that Canada has staged a nation-wide conference of this sort. Such conferences are very helpful in stimulating an interest in cooperation. The forthcoming meeting in Saskatchewan will take on an international aspect by reason of the fact that the cooperative associations in the United States have been invited to attend. In addition, the British Empire Marketing Board, the International Cooperative Alliance, the Australian wheat pools, and the Russian cooperative societies will be represented by delegates. This conference should be of great interest to the friends of cooperation."

City and Country Boundaries

An editorial in The Wisconsin Agriculturist for May 19 says: "As America matures and gets farther away from its pioneer days it is learning that there should be no marked boundary between city and country. It matters not where one lives; the full measure of success comes only when those in all other walks of life are likewise successful. The problems of the country and the city are mutual. For years most of the farm press has been edited in recognition of this fact. In late years some of the metropolitan dailies have begun to strike a balance in their news material from the rural and urban centers. They have found that the new plan has won friends and broadened their field of service. One example is the Minneapolis Tribune. Its owner is a farm operator who knows the problems of farm groups. Its farm editor is a man who can see beyond the limits of the city. Together they have awakened a new interest in agriculture in the Northwest--an interest that is sound because it is founded upon a broader knowledge of agriculture and its inter-related city problems. Wisconsin has a pioneer in this field. The Milwaukee Journal blazed the trail out into the country, a route along which other dailies now travel. It won for itself one of the highest honors that can be bestowed upon a daily, definite recognition of rendering distinguished service to its community. In continuing that service it is helping to wipe out the traditional boundary between country and city."

Employment Situation

Material increases in the number of persons employed in the United States were reported yesterday by the monthly bulletin of the Employment Service of the Department of Labor. The largest portion of the gain was credited to outdoor activities brought by the season, but automobile manufacture and the preparation of building materials also reported increases. The bulletin said that May promised further increases due to agricultural demands. (Press, May 21.)

Packing Industry

A Chicago dispatch May 20 says: "One of the weak spots of the Chicago financial situation--namely, the packing industry--is definitely on a better basis than a year ago. While employment in the industry locally is lower than last year, according to State labor reports, President F.E. White was emphatic in his outline this week of the recovery of Armour & Co. In addition to settling the J. Ogden Armour debt, Armour & Co., he said, were operating profitably on current business. Pork, bought at low prices earlier in the year, was moving well because of the high prices of beef, and South American sales continued high. Mr. White's remarks apply also, as far as general conditions go, to the affairs of the other large companies...."

Sugar Revival

In an editorial based upon a Department of Agriculture sugar cane production report, The Journal of Commerce for May 21 says: "A short time ago predictions were freely made that the Louisiana sugar industry was doomed to complete extinction. Some of these gloomy forebodings were traceable to the misgivings of advocates of higher sugar duties, not all of them residents of Louisiana. Nevertheless the statistics of cane sugar output in the Mississippi delta have furnished a melancholy record of decline that left little hope for the recovery of the apparently moribund patient. Just as experiments with new varieties of sugar cane began to induce optimism concerning the future of the Louisiana cane industry, the flood came and resulted in the inundation of thousands of acres of sugar land. In view of this latter handicap the 'comeback' that Louisiana now announces is extraordinary....This doubling of the sugar cane acreage output, moreover, has brought a much greater relative increase in the actual sugar produced per acre, which was over two and one-half times that of 1926. The result is that sugar houses that had fallen into disuse because they could not make a profit are again being put into condition. The best evidence of rehabilitation is that fire insurance companies that had in some cases withdrawn from the field because of the moral risks involved in insuring property that the owners no longer wanted are reported to be again taking an interest in this class of business. With the passage of the flood control bill hope is also created that a serious external threat to the future of the Louisiana industry is about to be removed...."

Truck Crops In The South

An editorial in Modern Farming for May 15 says: "It is hard for many of us to see wonders close at hand. When we look for the marvelous we turn our eyes to distant places; perhaps we grow accustomed to nearby prodigies. Right here in Modern Farming territory we have two truly wonderful trucking developments: the Louisiana strawberry area and the tomato plantings around Crystal Springs and Hazlehurst, Mississippi. Four or five millions of dollars come into each of these centers annually from the sale of berries and tomatoes. The tomato industry of Mississippi is long established, and has an

interesting history; the Hammond berry development is of more recent beginning, but its growth has been phenomenal. Farmers who are interested in berries, tomatoes and other truck crops, and who have no opportunity to study them in their own communities can not plan a more instructive tour than a trip through these two sections where practical production has been under way for years...."

Section 3

MARKET QUOTATIONS

Farm Products May 21: Livestock quotations at Chicago on slaughter steers, good and choice, $13-$14.75; cows, good and choice, $9.25-$12.25; heifers, good and choice, $12.50-$14; vealers, good and choice, $12.50-$16; feeder and stocker steers, good and choice, $11.50-$12.75; heavy weight hogs, medium, good and choice, $9.20-$9.75; light lights, medium to choice, $7.50-$9.65; slaughter pigs, medium, good and choice, $7-$8.25; slaughter lambs, good and choice, $15.50-$16.75.

Florida Spaulding Rose potatoes $4.25-$5 per barrel in eastern cities; $3.25 f.o.b. Hastings. Louisiana and Alabama sacked Bliss Triumphs $2.75-$3 per 100 pounds on the Chicago carlot market. Maine sacked Green Mountains $1.60-$2.10 in eastern cities; bulk stock $1.95 f.o.b. Presque Isle. California Salmon Tint cantaloupes $4-$7 per standard 45 in consuming centers and $2-$2.25 f.o.b. Brawley. North Carolina Klondike strawberries 14¢ to 18¢ quart basis in eastern cities. Virginia, Eastern Shore various varieties 10¢ to 15¢ in New York City. Arkansas Klondikes $2.50-$3 per 24-quart crate in midwestern markets. Florida Tom Watson watermelons, 25-28 pounds average $1.25-$1.80 per melon in various city markets.

Closing price of 92 score butter at New York was 44½¢.

Closing prices of No. 1 fresh American cheese at New York were: Flats 22½¢-23¢; Single Daisies 24-24¼¢; Young Americas 25½-26¢.

Average price of Middling spot cotton in 10 designated markets declined 3 points to 20.47¢ per lb. May future contracts on the New York Cotton Exchange declined 4 points to 21.07¢, and on the New Orleans Cotton Exchange they declined 10 points to 20.64¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.72-$1.76. No.2 red winter, Chicago $1.89; Kansas City $1.69-$1.74. No.2 hard winter, Chicago $1.52½-$1.53; Kansas City $1.47-$1.49. No.3 mixed corn, Chicago $1.06; Minneapolis 98½¢-$1.00½; Kansas City 99¢-$1. No.3 yellow corn, Chicago $1.08¼-$1.09½; Minneapolis $1.02½-$1.04½; Kansas City $1.03-$1.04½. No.3 white oats, Chicago 66¢-71¢; Minneapolis 61¼¢-62¾¢; Kansas City 69-70¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 45 Section 1 May 23, 1928.

THE PRESIDENT ON FARM BILL

The press to-day says: "President Coolidge yesterday completed his McNary-Haugen bill veto message in which he states that he could accept the major portion of the farm relief measure, but not the equalization fee which he considers unconstitutional. In talks with Republican leaders the President has advised that Congress should make an earnest attempt to enact a farm relief bill without such a fee, and he may embody this suggestion in his veto message...."

RETIREMENT BILL

The press to-day says: "The Dale bill to liberalize the civil service retirement law will be taken up in the House, and, it is expected, will be passed within a few days. As it already has passed the Senate, it then will go to the White House for the President's signature. Action on the bill was made certain yesterday when the House rules committee reported out a special rule under which it will be considered....The bill increases the maximum retirement annuity from $1,000 to $1,200, and permits optional retirement after 30 years service at an age two years lower than at present...."

LINDBERGH JOINS AIR-RAIL TRANSPORT

Col. Charles A. Lindbergh has joined the recently organized Transcontinental Air Transport, Inc., of which C. M. Keys, president of the Curtiss Airplane and Motor Corporation, is the head. He will be chairman of the technical committee. Since his flight to Paris, Colonel Lindbergh has refused all offers of a commercial nature and decided only yesterday to accept the offer of the company, which the Pennsylvania Railroad, the Atchison, Topeka & Santa Fe, the Wright Aeronautical Corporation, the Curtiss Company and the National Air Transport, Inc., cooperated in forming. This air-rail combination expects to carry passengers between New York and Los Angeles on a two-day schedule. (Press, May 23.)

MICHIGAN STATE COLLEGE HEAD

An East Lansing, Mich., dispatch May 23 states that the State Board of Agriculture May 22 accepted the resignation of Kenyon L. Butterfield, as president of the Michigan State College, effective immediately. At the same time it appointed Dean Robert S. Shaw as president. Doctor Butterfield had been president since September, 1924.

BRITISH COTTON TRADE

A London dispatch to-day says: "The shadow of industrial strife which has been overhanging the English cotton trade, already sufficiently depressed by the loss of markets, was dispelled yesterday when it was officially announced that the necessary majority of mill owners had not voted for a reduction of wages. In view of this fact it has been decided to take no further action in this regard at present. Public opinion holds that the cotton industry should squeeze the water out of its huge capitalizations before reducing wages as a means of restoring itself to an economic basis."

Section 2

British Cocoa Exchange

A London dispatch May 22 states that cocoa importers, dealers and brokers decided at a meeting in Liverpool May 22 to form a cocoa exchange to deal in spot and future transactions. It will run on the same lines as the Liverpool Cotton Exchange. Cocoa will be dealt with in pence per pound, with decimal points for fractions exactly as in the cotton market, to make business easier with America. The report states that cables from a number of New York cocoa traders promise cordial support, intimating that New York is prepared to take about twenty-five seats on the exchange, the membership of which will be limited.

Cooperation

An editorial in The Iowa Homestead for May 17 says: "Last fall, when the International Livestock Exposition was held in Chicago, certain interests dealing in farm products, especially dairy products, also met in that city for the purpose of registering a protest against the United States Department of Agriculture for the aid this institution is rendering farmers cooperative marketing associations. Several weeks ago these same interests formed what is known as the Federated Agricultural Trades Organization. The object of this organization is to conduct a vigorous campaign against the whole farmers cooperative movement. It is claimed that this federation has $1,000,000 at its disposal for carrying out this project. This means that if the farmers of this country want to maintain their cooperative institutions, their cooperative creameries, cheese factories, shipping associations, livestock commission companies, elevators, dairy and fruit selling organizations, they must fight. More than ever they must stick together and work hand in hand in order to hold their ground, to say nothing about making progress. The farmers need not fear this organized movement against their institutions, no matter how many millions of dollars there may be back of it. If they will continue quietly, but determinedly to cooperate with each other, patronize their own cooperatives regardless of what inducements may be offered to desert them, the fight will be won before it gets under way. Let the farmers determine that they will take their products as close to the door of the consumer as possible, just as the manufacturers of other products do, and they will win!...Perhaps nothing better could have happened to the cooperative movement than the organized opposition on the part of the Federated Agricultural Trades Organization at this time. It will help the farmers to realize that if they are going to get anywhere with their cooperative movement, which is now so well started, at least in some sections of the country, they must get together, work as a unit and fight their way through to a successful conclusion...."

Dairy Industry In Michigan

An editorial in The Michigan Farmer for May 19 says: "Reports from every section of the State tell how Michigan farmers are improving and increasing their dairy herds. In spite of the general depression in agriculture, dairying has continued to show the farmer a balance on the right side of the ledger where reasonable good care is exercised in eliminating border cows and supplying good feed. And, after a decade of expansion, there seems to be nothing on the horizon to discourage the keeper of good cows. The consumptive demand continues to grow at a pace that readily absorbs the larger supplies without any reaction in prices. Although real progress has been made in improving the quality of cows and methods of feeding on Michigan farms, much yet can be done. It should be reasonably easy to lower

the cost of producing butterfat on the average dairy farm ten cents a pound. The man who so improves his herd has the same advantage as he would from an advance of ten cents a pound in prices. Dairy herd improvement work means more dollars in the dairyman's pocket."

Farm and Factory in Europe "One of the most encouraging signs in the general effort among the nations of Europe to correct conditions is the recognition given to the basic principle of proper preservation of balance between farm and factory, says the International Chamber of Commerce, Italy has just furnished a good illustration of the recognition of this essential of sound economics. At a recent meeting of the council of ministers, when announcement was made of the efforts being made to reclaim 1,750,000 acres susceptible of improvement for intensive farming, it was decided to aid the projects of this kind in the Venetian provinces of Ferrara and Rovigo by contributing 3.5 per cent to the payment of interest on the capital loaned. If it were necessary to show how sensitive are the scales by which this balance is ascertained, a glance at Germany would be enlightening, the report says. About half of the adverse trade balance of that country in 1927, with its consequent bearing on the matter of reparations, has been traced to the unfavorable harvest of the year before and the delay, caused by bad weather, in marketing that harvest. A slight, but significant indication of the determination of German agriculturists to do their share in bringing better times is found in report of the sales of potash, which increased over a quarter of a million tons last year." (Press, May 21.)

Honey Standardization An editorial in The Progressive Farmer for May 19 says: "The honey industry is badly in need of an aggressive advertising policy to place its product before the people of the Nation. In a survey made recently, brokers who handle honey declared that an extensive advertising campaign is needed to solve the honey marketing problem, and that the flow of honey to the larger markets should be regulated to prevent the frequent market gluts which occur. Wholesale grocers declare that honey is too high in price compared with jellies, jams, preserves, and sugar; that it is sticky and inconvenient to handle and that the demand for it is declining because more fruit and vegetables and other light foods are being used. Representatives of chain-store systems also say that the price of honey is too high, that the turnover is slow, and the product is offered in too many sizes and types of containers, several of which seem designed to deceive the consumer as to actual contents. It seems that before the honey industry can be put on its feet a certain amount of standardization must be done; then the product must be advertised to the people of the Nation. Of course it is hopeless for a single bottler or packer to try to advertise honey adequately because his entire volume of business would not be large enough to justify a reasonably large advertising campaign. In other words, cooperative marketing is badly needed among beekeepers and is probably essential to the successful solution of these problems."

Nova Scotia Foxes The fox-raising industry in Nova Scotia has increased 20 per cent during the past year, states a report from Consul G.R.Wilson at Yarmouth to the Department of Commerce. This would bring the number of foxes in captivity, it is estimated, up to approximately 12,000. There has been a notable increase in the holdings of small

owners and it is reported that approximately 80 per cent of the industry is now in the hands of individuals. The interest in the raising of foxes is now primarily for their pelts rather than for breeding purposes. Most of the skins are shipped to London. It is estimated that $200,000 came into Nova Scotia last fall for live foxes and pelts. Live foxes sell for from $400 to $700 a pair and skins bring from $30 to $150, prime pelts averaging about $120. (Press, May 21.)

Power Farming An editorial in Modern Farming for May 15 says: "Lewis E. Long's excellent article in this issue focuses thought upon a greatly neglected phase of agriculture: The economical phase--the study of how we can get the greatest returns from every dollar invested in equipment. This summary of the part which machines have played in the civilization of man, and the importance of labor-saving and labor-multiplying devices in southern agriculture will repay thoughtful study. Machinery helps us because it enables us to do more, as Mr. Long points out....And because of this concentration of power which enables the individual to multiply his effort, there is also danger of immense waste if the controlling mind fails to appreciate the responsibility which this centralization of power-control entails....One of the commonest mistakes of the beginner in power farming here in the South. is that of failing to plan out jobs ahead for the tractor or other power equipment. Many a man who knows the high cost of allowing day hands to idle, will hitch a sixteen or twenty horsepower tractor to an implement which could be drawn easily by a good team, and then wonder why his power farming operations don't show a wonderful profit. The failure of such farmers to make a go of power farming is by no means a reflection upon the equipment which they rashly bought and shamefully abused, but rather upon their own intelligence. All of the first class implement manufacturers recognize these facts now, and their representatives usually will be glad to help a farmer make an analysis of his work, and will advise him regarding his needs. ...On the other hand the man who regards the purchase of improved implements as a seasoned investor regards a chance to buy good bonds or stocks, and who looks up the dealer and consults with him about the needs of his farm, will seldom fall into error in the purchase of power equipment. He knows his needs, he has studied his operation, and he has learned that every day he carries on with inadequate equipment he is losing money; he knows that true economy lies in wise spending."

Surplus Products Utilization An editorial in The Washington Post of May 22 says: "Farm relief having failed to materialize as a result of political manipulation, science now intends to step in to see what it can do about it. There is need, says the American Institution of Chemistry, for a general and widespread inquiry into the whole problem of agricultural production and distribution, the ultimate object of which is to place the farmer on a plane with the industrialist. To-day the farmer's prosperity is dependent upon the demand for food. Even though food is a fundamental need, the farmer as a general thing overproduces, and until he can find a satisfactory market for his overproduction his condition can not be bettered. Political farm relief realizes this fact. It is concerned primarily with artificial creation of surplus production markets. The Chemistry Institution, however, believes that there is a natural market for the farmer's overproduction. It points to the fact that last year 10 per cent of the corn crop was converted into butyl alcohol, the basis for the

production of lacquer. It says further that there are hundreds of other nonfood products that may be produced from the farmer's output, and that research will develop extensive commercial outlets. Eventually, it believes, commercial utilization of farm products will lead to the farmer's independence, for he will be assured of a high price auxiliary market for his products. The project is entirely logical, and should lead to genuine farm relief if it can be carried through to a successful conclusion. There is, of course, one inherent danger in such development. Industry, if it finds a farm staple of value, can afford to pay well for it. The effect on the price of that staple as a food product is bound to be great. Nevertheless, its utilization in industry is inevitable sooner or later, if it is of genuine value commercially, and indirectly its increased value will be generally beneficial...."

Section 3
MARKET QUOTATIONS

Farm Products May 22: Steers, good and choice, $13 to $14.75; cows, good and choice, $9.25 to $12.25; heifers, good and choice, $12.50 to $14; vealers, good and choice, $13.25 to $16.50; feeder and stocker cattle steers, good and choice, $11.50 to $12.75; heavy weight, medium, good and choice, $9.15 to $9.70; light lights, medium to choice, $7.35 to $9.50; slaughter pigs, medium, good and choice, $6.75 to $8 (soft or oily hogs and roasting pigs excluded from above quotations); lambs, good and choice, $15.50 to $16.65.

Grain prices quoted: No.1 dark northern spring (13% protein) Minneapolis $1.73 3/8 to $1.77 3/8. No.2 red winter Chicago $1.86; Kansas City $1.64 to $1.70. No.2 hard winter (12½% protein) Kansas City $1.57½ to $1.63. No.2 hard winter (not on protein basis) Chicago $1.53½; Kansas City $1.48½ to $1.51. No.3 mixed corn Chicago $1.05; Minneapolis $1 to $1.01; Kansas City 98¢ to 99¢. No.3 yellow corn Chicago $1.07 to $1.07¾; Minneapolis $1.04 to $1.05; Kansas City $1.03½ to $1.04. No.3 white oats Chicago 68½ to 70½¢; Minneapolis 62 to 64¢; Kansas City 69½¢ to 70½¢.

Florida Spaulding Rose potatoes sold at $4.25-$5 per barrel in city markets; mostly $3.50 f.o.b. Hastings. Alabama and Louisiana sacked Bliss Triumphs $2.75-$2.90 per 100 pounds on the Chicago carlot market; $2.25-$2.40 f.o.b. Mobile, Ala. Maine sacked Green Mountains $1.50-$2.10 in eastern cities; bulk stock mostly 95¢ f.o.b. Presque Isle. South Carolina pointed type cabbage $1.25-$1.75 per 1½-bushel hamper in eastern cities. Alabama and Mississippi pointed type $3.50 per barrel crate in Chicago. California Salmon Tint cantaloupes $4-$6.50 per standard 45 in consuming centers; $2-$2.25 f.o.b. Brawley. Texas yellow Bermuda onions $1.25-$1.75 per standard crate in distributing centers; $1 f.o.b. Laredo.

May future contracts on the New York Cotton Exchange advanced 2 points to 21.09¢, and on the New Orleans Cotton Exchange they advanced 6 points to 20.70¢. On the Chicago Board of Trade May futures advanced 8 points to 20.85¢. The average price of Middling spot cotton in 10 designated spot markets was unchanged at 20.47¢ per lb. On the corresponding day last season the price stood at 15.69¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 44½¢; 91 score, 44¼¢; 90 score, 44¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 22½¢ to 23¢; Single Daisies, 24¼¢ to 24½¢; Young Americas, 25½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 46 Section 1 May 24, 1928.

PRESIDENT VETOES FARM BILL The Senate yesterday received President Coolidge's veto message on the McNary-Haugen farm bill, according to the press to-day.

BILLS SIGNED BY THE PRESIDENT President Coolidge yesterday signed 31 legislative acts, including the Jones merchant marine bill to further develop an American merchant marine, to assure its permanence in the transportation of the foreign trade of the United States and for other purposes.

The President also signed the act providing for a memorial highway between Mount Vernon and the Arlington Memorial Bridge.

Another measure signed by the President authorizes an appropriation of $15,000,000 for additional hospitalization for mentally afflicted World War veterans.

The President also signed the reforestation bill, an act providing for conservation of American timber, authorizing the Department of Agriculture to engage in research in all branches of this subject. (Press, May 24.)

FEDERAL SALARY LEGISLATION The Washington Post to-day says: "A compromise bill to raise the pay of 135,000 employees of the Federal Government was agreed upon late yesterday by the Senate and House conferees. Both houses are expected to give final approval to the bill to-day, and it then will go to the White House for the signature of President Coolidge. How much the compromise bill will add to the Government pay roll was not made known by the conferees...."

FEDERAL COMMISSION'S REPORT Cooperative farm associations should be as well provided with permanent working capital as their established competitors, if they are to survive, the Federal Trade Commission informed the Senate yesterday in a two-volume report, in response to a resolution by Senator Shipstead of Minnesota. The commission said the farmer's financial condition and present credit facilities indicate that he will need further assistance in establishing himself on a sound operating basis. (Press, May 24.)

NEW RUBBER INSTITUTE A New York dispatch to-day states that a group of leading American rubber manufacturers yesterday formed a new organization known as the Rubber Institute, "to put the rubber industry on a sound economic basis," and engaged Gen. Lincoln G. Andrews, former Assistant Secretary of the Treasury, as its director general. The institute will be similar in plan and purpose to the cotton textile institute and to the organizations of the wool, sugar and alcohol industries.

Section 2

British Taxes It is estimated that British industry contributes about one-fourth of the total local taxes of the country, according to advices just transmitted to Bankers Trust Company of New York by its British Information Service. In 1914 the total local taxes paid in Great Britain amounted to 79,000,000 pounds; the corresponding amount levied in 1926 was 166,000,000 pounds, while for 1927 the total is estimated to have increased to 180,000,000 pounds. Of this latter total the proportion falling directly upon the shoulders of industry is placed at about 45,000,000 pounds. Further estimates put the amount of local taxes spent on poor relief at approximately one-third of the total, while about 50% was spent altogether on public social services. In 1913 about 16.8% of the total taxes was expended on relief of the poor.

Chewing Gum Consumption "Consumption of chewing gum in the United States totals 70,000,000 pounds annually, or 100 sticks for every man, woman and child in the country. The total value of domestic consumption is nearly $100,000,000. Since 1914, total gum shipments overseas have increased from $200,000 annually to more than $1,600,000 annually. Great Britain is the greatest foreign consumer of American gum, followed by Netherlands, Mexico and the Philippines. Japan in 1927 consumed $50,000 worth, China took $30,000 and Siam is credited with nearly $1,500 of gum imports. (Press, May 23.)

Dairy Industry In Hawaii The Milk Dealer for May says: "Perhaps some of us are still tending to consider the Hawaiian Islands a place retarded by lack of education and by barbarism. Let's forget the barbarism and the ukuleles and step over to Smith's Haleakala Dairy. The name sounds quite American on each end and the business they are doing will stack up quite well with many American dairies. As we study the business of this dairy we get an impression of a more stable Hawaii than many of us had before....In the district of Haleakala, an extinct volcano standing 10,000 feet above sea level, grass is abundant the year around and grains grow very readily. It is on the high slopes of this volcano that Smith's Haleakala Dairy is situated. When we learn that three years ago this dairy consisted of only eight cows and poor and inadequate equipment, and that to-day it consists of ninety cows and equipment second to none on the island, we begin to see the business-like atmosphere that surrounds Smith's dairy. The cows are milked twice a day and there is an expansion program being carried out which calls for a 150-cow herd by September, 1928. Grazing facilities and good equipment along with the right kind of help makes it possible for a very good grade of milk to be produced. The grade A-A raw milk that they put out with a bacteria count of only 5,000 per cubic centimeter sounds like true civilization and modern dairy methods. Now as to market: School children seem to get considerable attention in Hawaii and Smith's dairy has carried on extensive and successful campaigns to induce school children to drink more milk....The Haleakala Milkman, a mimeographed paper issued once a month, visits parents of the school children and is written in chatty style. In it will be found plenty of goodwill material and information which just can't help but educate one to an appreciation of good milk...."

Economic Readjustment

Magnus W. Alexander, president, National Industrial Conference Board, is quoted in Commerce and Finance for May 23, as follows: "Economic and social life one hundred years ago in the United States was modest in scope and the present standards of business and of living would at that time have appeared as a dream beyond the possibility of realization. But growth also means adjustment and adjustment means the successful coping with the problems that arise in the path of progress, some of which, although not necessarily new, are encountered in such new disguises that they are not always recognized as what they really are. Thus, the very productivity of American industry has brought with it problems seemingly new because of our changed economic environment, but in principle implying identical economic issues. This is illustrated by the amazing confusion of thought that has developed through the revival of an old economic fallacy, long previously demonstrated as fallacy by history, but still potent enough to confound the minds of men. It is part of the irony of the situation that this fallacy, which now again poisons public thought, would make a Frankenstein's monster out of what has proved to be a most beneficial factor in American economic life, in that it misinterprets the economic effects of the increasing use of power and machinery which multiply the results of our energy and enable us to do our work with a precision seldom before achieved. A fallacy may be unimportant in itself and yet gain disastrous influence when it becomes a popular misconception....Is it unimportant, if the intensified mechanization of industry which only yesterday was hailed as a keystone of our national prosperity, to-day is condemned by some groups, as the cause of growing unemployment? Machinery, such fallacious reasoning says, 'makes idle hands.' It is the same fallacy which led British workmen during the English 'industrial revolution' about one hundred and fifty years ago to smash the machines and plants of their employers because power machinery had driven, and was believed to keep people out of employment. It is in principle the same delusion which for a long time has caused certain labor groups to advocate limitation of individual production in order to provide jobs for more hands. The same fallacious theory has recently been made the basis of estimates of unemployment and thereby has unquestionably exerted a deterrent influence on business at a time when employers needed reassurance to prevent them from reducing their payrolls."

Hall on Agricultural Situation

Sir A. Daniel Hall, writing in The Journal of the (British) Ministry of Agriculture for May, says: "That British farmers are going through a period of depression has been made patent by debates in Parliament and discussions in the press. How serious the farmers' difficulties are is always difficult to estimate, and the public is sometimes inclined to discount such tales as the professional patter of a class that has to pay rent; yet those who have means of judging do not doubt that the situation to-day is fully as bad as it was in the late 'eighties and the early 'nineties of the last century. It is not a question of greater or less profits; the ordinary farmer dealing with the land as he has been accustomed to do can not make his produce pay for his expenditure. This state of things is not confined to Britain, it is almost world-wide. The United States farmers are as hard hit as our own; from Germany and most of the Dominions come the same complaints; even in France, where the farmers have been specially favored by legislation, complaints are beginning to arise. The World Economic Conference which met last May in Geneva fully recognized the

world-wide character of the depression in agriculture....Prices are still falling, and though falling prices may weed out the weak they do not encourage enterprise and development. The agricultural statistics show that in fact farmers are shortening sail—laying land to grass, reducing expenditure and letting labor drift away--in order to meet the situation....A revival of the industry, induced by a vigorous search for new methods such as have been discussed above, will only happen under the stimulus of better prices, when farming again becomes attractive to men of enterprise and capital. According to the Geneva Conference, agriculture must wait for a revival of industry before these better prices occur. Meantime, however, it is clear that agriculture is losing ground in the western world; that even in the peasant farming countries men are being attracted away from the land by the higher returns to be obtained in industries. Population is still increasing, the failure of food production to keep pace tends to be cumulative, and many observers see signs in sudden minor scarcities among agricultural products that the equilibrium between supply and actual demand may be easily disturbed and the present apparent surplus as quickly converted into an apparent dearth. Prices are at the mercy of very small margins, plus or minus, and once an upward movement starts all the material facts favor a rapid speculative rise....It is vain to hope that in future, even in the more backward countries, a peasant population can be maintained which will be content to work at less than ordinary rates in order to feed the world. Indeed, it is further questionable whether peasant farming methods can produce food for a much greater population than at present exists. But the alternative method of large-scale organized production upon which British farming tentatively entered two centuries ago, under which agriculture has to compete with other industries for both men and capital, is at present being undersold by peasant production to the undoing of both systems of farming. Our capitalist farming will only resume its progress--progress upon which depends the intensification of production necessary to the support of the world's growing population--when food scarcity gives rise to a stimulus of better prices."

Jersey Herd Tests

An editorial in Western Breeders Journal for May 15 says: "The most important event in the dairy cattle breeding industry during the past month was the announcement of the adoption of a herd test plan by the American Jersey Cattle Club, to become effective July 1 of this year....The experience of Ayrshire breeders with the herd test for the last three years has served to establish it firmly as a highly useful instrument of 'herd improvement.' Its value has been so amply demonstrated that the increasing number of Ayrshire breeders who have used it are satisfied with its merit beyond question. The other breed associations, however, wanted some sort of a demonstration before making the herd test a part of their own operations. They were keenly interested--but they held back until someone else had proved the herd test for them, one way or the other. It was, perhaps, wise to give one breed group plenty of time in which to experiment with it before falling in line, but we think that the courage of that group in leading the way should be fully recognized. The larger breed associations are now capitulating, one by one. Beginning with the first of this year the Holstein-Friesian Association adopted a herd test of its own, and now we have the announcement of the American Jersey Cattle Club. With the Ayrshire, Holstein and Jersey organizations all committed to a herd test plan surely it may be expected that the American Guernsey Cattle Club will have a similar announcement to make before long...."

Section 3
MARKET QUOTATIONS

Farm Products May 23: Livestock quotations at Chicago on slaughter steers, good and choice, $12.75-$14.50; cows, good and choice, $9.25-$12; heifers, good and choice, $12.50-$14; vealers, good and choice, $13.50-$16; feeder and stocker steers, good and choice, $11.50-$12.75; heavy weight hogs, medium, good and choice, $9.15-$9.75; light lights, medium to choice, $7.35-$9.50; slaughter pigs, medium, good and choice, $6.75-$8; slaughter lambs, good and choice, $15.60-$16.75.

Florida Spaulding Rose potatoes $4.50-$5 per barrel in eastern markets; $3.50 f.o.b. Hastings. Alabama sacked Bliss Triumphs $2.75-$2.85 per 100 pounds in Chicago and $2.25 f.o.b. Mobile. Maine sacked Green Mountains $1.50-$2 in eastern cities; bulk stock 85¢-95¢ f.o.b. Presque Isle. Northern sacked Round Whites $1.20-$1.40 on the Chicago carlot market; mostly $1.05 f.o.b. Waupaca. South Carolina pointed type cabbage $1-$1.65 per 1½ bushel hamper in the East. Norfolk stock mostly around $1-$1.25. Mississippi and Alabama pointed type $2.75-$3 per barrel crate in Chicago. Texas yellow Bermuda onions $1.25-$1.75 per standard crate in consuming centers; 90¢-$1 f.o.b. Laredo. California Salmon Tint cantaloupes $4-$6 per standard 45 in terminal market; $1.85-$2.25 f.o.b. Brawley.

Closing price of 92 score butter at New York was 44½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 22½¢-23¢; Single Daisies 24¼¢-24½¢; Young Americas 25½¢.

Average price of Middling spot cotton in 10 designated markets declined 7 points to 20.40¢ per lb. May future contracts on the New York Cotton Exchange declined 10 points to 20.99¢, and on the New Orleans Cotton Exchange they declined 8 points to 20.72¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.76½-$1.80½. No.2 red winter, Chicago $1.75; Kansas City $1.66-$1.72. No.2 hard winter, Chicago $1.55 (nominal); Kansas City $1.51-$1.53. No.3 mixed corn, Chicago $1.06½ (nominal); Minneapolis $1.00½-$1.01½; Kansas City 99½¢-$1. No.3 yellow corn, Chicago $1.08-$1.08¼; Minneapolis $1.04½-$1.06½; Kansas City $1.03½-$1.04. No.3 white oats, Chicago 69¢-73¢; Minneapolis 64½¢-65½¢; Kansas City 70-71¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 47 Section 1 May 25, 1928.

SECOND DEFICIENCY BILL The Senate yesterday passed the second deficiency bill carrying $150,000,000. It now goes to conference. (Press, May 25.)

THE TAX BILL Senate and House conferees yesterday agreed on a compromise tax reduction bill providing a tax cut of $222,495,000, according to the press to-day.

BILLS PASSED OVER VETO The Senate yesterday passed four bills over the President's veto--the Tyson-Fitzgerald disabled officers retirement bill, the Oddie good roads bill, the Sproul bill increasing the pay of night workers in the postal service and the Griest bill granting allowances for rent, fuel, light and equipment to fourth-class postmasters.(Press, May 25.)

FEDERAL SALARY BILL The Washington Post to-day says: "A battle in the Senate over the Muscle Shoals bill held up action on the Welch pay-raise bill yesterday. President Coolidge is ready to sign the bill, it was learned yesterday after he had conferred with Representative Lehlbach, chairman of the House civil service committee....The Senate and House, once they get a chance, will approve the compromise bill without hesitancy, and a copy of the measure then will be rushed to the White House. It is possible that the House, in addition to approving the salary bill to-day, will pass the Dale bill to liberalize the civil service retirement law...."

CONGRESS ADJOURNMENT The House yesterday adopted a resolution calling for adjournment of Congress at 5 o'clock next Tuesday. The resolution was sent to the Senate. (Press, May 25.)

RADIO BOARD ALLOCATES WAVES The Federal Radio Commission yesterday allocated 74 short wave channels for transoceanic radio service, making a total of 149 channels now assigned. The largest single disposition, of twenty of the short waves, was made to the American Publishers' Committee, composed of more than a dozen newspapers and press services. (A.P., May 25.)

THE ARMOUR ESTATE The press to-day reports that the sale of stockyards and settlement of the debt owed by the J.Ogden Armour estate has netted Armour & Co. $18,000,000 in cash and marketable securities, it was announced yesterday. On the basis of its present position the company is expected to show a ratio of better than 4 to 1 between quick assets and quick liabilities at the close of its present fiscal year. This will compare with 3.8 to 1 shown at the close of the previous fiscal year, Oct. 29, 1927.

Section 2

Flood Bill Outlook

Walter Parker, Economist for Fenner-Beane, New York and New Orleans, writing in Manufacturers Record for May 24, says: "Under the Jones-Reid flood bill the 'levees only' policy, which has been the curse of the Mississippi Valley, is definitely abandoned, and in its place the Federal Government definitely accepts responsibility for the creation of adequate outlets so that the Mississippi River may discharge rapidly enough to enable the levee lines to hold. Thus a new hope, a new vision, a new and tangible assurance that the Federal Government intends to put an end to the recurring flood disasters in the great valley and that in future investments of time, money and labor put into valley enterprises will not be wiped out by flood water, but will open the way, not only for rehabilitation, but for the larger development of the most fertile and potentially the most productive portion of the United States. That will mean steadily increasing wealth and uninterrupted multiplying purchasing power which can not fail to benefit the entire country in a very large way. The 1927 flood disaster destroyed the last remaining shred of confidence in 'levees only,' and had there been no Federal flood legislation, rehabilitation would have lagged indefinitely...."

Florida Citrus Industry

An editorial in Florida Times-Union for May 19 says: "Just at the present time the one largest and most important Florida project is that of stabilizing the citrus industry of this State....The activity above referred to has been going on for several years, the focusing point having been reached within recent months, or since the Florida State Chamber of Commerce decided, through its citrus committee, to take active and practical interest in straightening out the serious tangles in the citrus industry business. Then, what has become known as the Committee of Fifty organized and started work by and for the citrus fruit growers, seeking to accomplish for them what others, in preceding years, had failed to perform. Gradually, these two agencies have carried the important work forward, both working toward the same objective, that of making the citrus industry of Florida what it ought to be, a strictly business enterprise....Matters developed rapidly until several weeks ago definite plans were arrived at by the Florida State Chamber of Commerce and by the Committee of Fifty, the latter arriving at the point where the last detail in their plans was to be furnished by the growers themselves, through accepting the proposed clearing house plan, promulgated by the Committee of Fifty, and signing the necessary pledges of fruit to be marketed through this clearing house....Now comes a disturbing element, alleged to be injected by certain independent citrus fruit shippers....The Committee of Fifty officially alleges that 'certain shipping interests have entered into a combination designed to prevent Florida organizing a clearing house this year.' This is a serious charge to make, for it is hardly to be believed that any men, or any set of men, in Florida will put themselves in the way of remedying a condition that so seriously impairs the usefulness of a great and important industry of the State as is the Florida citrus industry...."

Fruit Exports

Exports of fresh fruit from the United States during 1927 were valued at $60,000,000, approximately $7,000,000 in excess of the value of fresh fruit exports during 1926, and practically double the value of the foreign shipments during 1923, according to Daniel J. Moriarity, Foodstuffs Division, Department of Commerce. Increased exports of

oranges and grapefruit account for most of the increase in value of the 1927 exports, the value of orange shipments being $3,600,000 more than during 1926, while grapefruit exports increased by more than $1,500,000. Recent annual exports were: 1923, $33,000,000; 1924, $41,000,000; 1925, $42,000,000; 1926, $53,000,000; 1927, $60,000,000. Apples constitute the principal fresh-fruit export of the United States, having a value of $30,000,000 in 1927, while oranges came next with a value of $15,000,000. Other exports and their value were: Pears, $3,800,000; grapefruit, $3,300,000; grapes, $2,000,000; lemons, $1,500,000; berries, $1,100,000; peaches, $777,000; pineapples, $221,000, and "other fresh fruits," $1,900,000. (Press, May 24.)

London Wool Market

A London dispatch May 23 states that the wool auction sales closed May 22 with offerings of 9,777 bales. There was a good attendance and competition was spirited for all descriptions. The closing was firm and active. Compared with prices ruling at the previous series merinos and cross-breds generally were unchanged to 5 per cent lower, and Punta Arenas and Cape of Good Hope and Natal 5 per cent down. During the series the Continent bought 49,500 bales, the home trade 29,500 and American 1,000. Thirty-three thousand bales were held over.

Organized Agriculture

The Illinois Agricultural Association Record for May says: "This Nation is fast becoming dominated by group effort. Great combines are replacing the private enterpriser. Machinery and efficiency are our new gods. Business and economic groups are becoming more highly organized. General Motors, U.S. Steel, Standard Oil, consolidated utilities, chain stores and newspapers, and giant banking systems are on every hand or in the process of development. And every group strives to use the Government for its economic advantage. The individualist farmers can't keep pace with this procession. Organized agriculture can."

Potash in Texas

An Odessa, Texas, dispatch to Manufacturers Record for May 24 says: "An expenditure of approximately $2,000,000 in constructing a potash refinery, sinking a shaft and installing mining equipment at its potash deposit, ten miles south of Odessa, will be made by the American Potash Company during the next year, according to Max Agress, president of the company. The company was recently incorporated with a stock of 10,000,000 shares of no par value. Its assets in potash holdings are valued at $3,000,000, Mr. Agress said....Government and private explorations of the potash beds of this section continue to be made with highly satisfactory results...."

Purebred Cattle in Sweden

An editorial in Western Breeders Journal for May 15 says: "There is still much discussion in breed circles as to whether all purebred bulls should be eligible to registration. There is a pronounced opposition to any proposed plan that would impose restrictions other than the fact of being purebred, and yet there is an undercurrent of feeling that some system should be devised that would make the word 'purebred' synonymous with unusual worth in the field of production. In Sweden, we learn, you can not sell a bull for breeding purposes at any official sale, nor can a bull be awarded Government prizes, unless that bull has back of him complete production records for all females in his ancestry for three generations. And further, three years is the minimum age for registration of a

female, and there is a provision that she must have produced a minimum of 242.5 pounds of fat for each of two consecutive years for a three year average. The fact that the Swedes do it is not in itself a sufficient reason why we should do it. And yet we like the principle of the thing--indeed, we favor anything that will tend to establish and maintain the superior quality of the purebred, as a proven fact. As we have intimated several times before, however, we believe that such a system as the Swedes use is feasible in this country only as official testing becomes accessible to all breeders, big and little."

Tuberculosis Eradication In Wisconsin

An editorial in The Wisconsin Farmer for May 17 says: "That the percentages of market run hogs at Wisconsin packing plants show a decided decrease in traces of infection with tuberculosis in 1928, as compared with the amount of such infection found in 1923, and that the decrease in the infection found in hogs from accredited counties is even greater, has been shown by Dr. Arthur Knilans, Janesville, whose work puts him in close touch with the situation. In 1928, the market run of Wisconsin hogs killed at packing plants in this State showed a decrease of 33.7 per cent in carcasses retained for the tank, and 38.8 per cent in carcasses condemned or sterilized, as compared with 1923 figures. Accredited county hogs slaughtered at the same plants in March, 1928, show 62.7 per cent decrease in those retained for the tank and about 100 per cent less for carcasses that were condemned and sterilized, when comparisons are made with the conditions in 1923. Thus the clean-up of diseased cattle is slowly reflected in the reports of retentions of hogs for tuberculosis, and the carcasses held aside for sterilization before packing also show a decided decline.... Following up the bovine testing campaign, the fieldmen are urging a clean-up of the poultry flocks as fast as possible. They argue that a great deal of the infection which is still found in the carcasses of hogs from clean counties is caused by infected flocks of chickens. We hope that further progress can be made in a sane manner to combat tuberculosis. Plenty of money has been spent on the campaigns and results ought to justify it."

Vermont Agriculture

Although there has been a depression in the dairying industry in Vermont during the period since 1922, the outlook for the future is very bright, said Dr. H.P.Young, agricultural economist at the University of Vermont, in speaking to members of the Exchange Club in Burlington, Vt., recently. Citing nearby examples in the towns of Ferrisburg, Charlotte and Panton, Vt., where one out of five farms is now idle, and declaring that those farms in operation are producing less than 50 per cent of their capacity, Doctor Young pointed out that it can not be denied that the State of Vermont has experienced a depression agriculturally. Giving figures from the 1920 census, the speaker showed that dairying is the State's greatest single revenue-producing industry, $27,000,000 being the annual value of all the products from cows. The marble and stone industry and woolen industry tied for second place with $17,000,000; paper and wood pulp business was valued at $11,000,000 and the cotton manufacturing industry came to $4,000,000. "I think that within ten or fifteen years the State will return to where it was in 1913," said Doctor Young in referring to the agricultural prosperity of that period. It was pointed out that during the period of 1920-25 an area of farm land in Vermont greater than all the farm land in Chittenden County went out of use.

That there is a bright future in store for the dairymen of Vermont was predicted by Doctor Young when he said that the great growth of the urban districts in Westchester County in New York during recent years will make more of a demand for fluid milk, Vermont's big product. (Press, May 22.)

Section 3

MARKET QUOTATIONS

Farm Products May 24: Grain prices. No.1 dark northern spring wheat (13% protein) Minneapolis $1.78¼ to $1.82½. No.2 red winter Chicago $1.79; Kansas City $1.68 to $1.74. No.2 hard winter (12½% protein) Kansas City $1.61 to $1.65½. No.2 hard winter (not on protein basis) Chicago $1.57; Kansas City $1.53 to $1.54. No.3 mixed corn Chicago $1.07; Minneapolis $1.00½ to $1.01½; Kansas City 99½¢ to $1.00½. No.3 yellow corn, Chicago $1.08½ to $1.09; Minneapolis $1.05½ to $1.07½; Kansas City $1.03 to $1.04½. No.3 white oats Chicago 68½ to 72½¢; Minneapolis 67¼ to 68¼¢; Kansas City 70 to 77½¢.

Livestock prices: Slaughter cattle, calves and vealers. Steers, good and choice, $12.75 to $14.25; cows, good and choice, $9 to $12.25; heifers, good and choice, $12.50 to $14; vealers, good and choice, $13.50 to $16; feeder and stocker cattle, steers, good and choice, $11.50 to $12.75; heavy weight hogs, medium good and choice, $9.35 to $10; light lights, medium to choice, $7.50 to $9.75; slaughter pigs, medium, good and choice, $7 to $8.25. (Soft or oily hogs and roasting pigs excluded from above quotations); Slaughter sheep and lambs. Lambs, good and choice, $15.75 to $16.85.

July future contracts on the New York Cotton Exchange declined 33 points to 20.43¢, and on the New Orleans Cotton Exchange they declined 35 points to 20.20¢. On the Chicago Board of Trade July futures declined 34 points to 20.28¢. The average price of Middling spot cotton in 10 designated markets declined 33 points to 20.07¢ per lb. On the same day last year the price stood at 15.65¢.

Florida Spaulding Rose potatoes sold at $4.50-$5.25 per barrel in city markets; mostly $3.50 f.o.b. Hastings. Alabama and Louisiana sacked Bliss Triumphs $2.75-$2.85 per 100 pounds carlot sales in Chicago and mostly $2.25 f.o.b. Mobile. Maine sacked Green Mountains $1.40-$2 in eastern cities; bulk stock 85¢-95¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.20-$1.35 on the Chicago carlot market and $1.05 f.o.b. Waupaca. California Salmon Tint cantaloupes ranged $4 to $5.50 per standard 45 in distributing centers; $1.75-$2.15 f.o.b. Brawley. Texas yellow Bermuda onions sold at $1.25-$1.75 per standard crate in consuming centers; 90¢ f.o.b. Texas points. South Carolina pointed type cabbage brought $1-$1.50 per 1½-bushel hamper in eastern cities. Alabama and Mississippi pointed type $2.50-$2.75 per barrel crate in Chicago. Maryland and Virginia, East Shore, various varieties of strawberries closed at 10¢ to 14¢, quart basis, in New York City. Best Arkansas Aromas $6.50 per 24-quart crate in Chicago.

Wholesale prices of fresh creamery butter at New York were: 92 score, 44½¢; 91 score, 44¢; 90 score, 43½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23¢; Single Daisies, 24¼¢ to 24½¢; Young Americas, 25½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 48 Section 1 May 26, 1928.

FARM BILL VETO SUSTAINED

The Senate yesterday sustained President Coolidge's veto of the McNary-Haugen farm relief bill. This killed the measure. (Press, May 26.)

STATUS OF OTHER BILLS

The House yesterday sustained the President's veto of the bill providing for post roads through Indian lands in eleven States.

The Senate and House passed the Muscle Shoals bill after eliminating a provision to have the Government plant there manufacture fertilizer to be sold to farmers. This was objectionable to the President.

The House passed the Boulder Dam bill. The Senate was debating this measure when it took an overnight adjournment.

The compromise revenue measure, framed by a conference committee, was adopted by the Senate after elimination of the provision for publicity of income tax returns, which the President opposed. The bill will cut taxes $222,000,000.

Senate and House adopted conference reports harmonizing differences over the deficiency appropriation bill.

New and reduced postal rates were agreed upon by Senate and House conferees. (Press, May 26.)

FEDERAL SALARY BILL

The Washington Post to-day reports: "Congressional action on the Welch pay-raise bill was completed late yesterday, and to-day the measure goes to the White House for the President's signature....It is expected that the President will affix his signature either to-day or Monday...."

WOOL STANDARDS FUND

The press of May 25 reports that the Senate May 24 adopted legislation making available a fund of $50,000 to enable the Bureau of Agricultural Economics, Department of Agriculture, to study the practicability of providing Government standards for wool. This money came into the Treasury as a result of Government control of wool production in 1918.

RADIO LICENSES

Licenses for all broadcasting stations will be extended for sixty days beginning June 1, under a decision reached yesterday by the Federal Radio Commission. On Aug. 1, licenses will be renewed by the commission, except for stations that have not been able to show that they are operating "in the public interest." The commission makes a distinction between "extending" and "renewing" licenses. (Press, May 26.)

Section 2

Ford on American Progress

Henry Ford is the subject of an interview by Samuel Crowther in World's Work for June, in which he is quoted as saying: "It is said that we, as a country, can not stand prosperity. But what is there about prosperity that has to be stood? Have we ever really had national prosperity? And should not prosperity be a natural rather than an unnatural condition?...And likewise with production. We have made some progress in production, but only enough to gain an inkling of how much more we ought to know and eventually shall know. Certainly we are as far away from perfection in production as ever we were....If people of this country be thought of as arranged in tiers of buying power, then one can get a notion of what has been happening. Not many years ago only the topmost tiers--the wealthy and the near wealthy--had adequate buying power, and there was not really much for them to buy. The lowermost tiers had almost no buying power--they considered themselves lucky when they were able to get enough to eat and a place to sleep....In this country practically no one is just grubbing for food....The present era of comparative prosperity coincides with the development of automotive transport. This has developed many millions of mobile horse power, and this, in turn, has caused a start toward rebuilding the country. It is responsible for the making over of thousands of miles of roads and for the building of thousands of new sections adjacent to cities. It has spread out the cities, but it has also brought the farm closer to the town. The single matter of giving people a chance to move about and see the world is an element that of itself would be sufficient to change the character of the people...It is not logical to divide the country into agricultural and industrial groups. That is an artificial grouping anyway--for the center of industry is no longer in the Northern Atlantic States. It has already passed west to Chicago and beyond, while the South, which used to know only cotton, is now quickly becoming industrial because it is beginning to use its water resources for the generation of power. The shift is everywhere from wholly manufacturing or wholly agricultural districts to a balance between the two. If any one should figure up the production of the small truck gardens, which so many factory workers can now have because of the automobile, the total would undoubtedly be astounding. We are very gradually learning the meaning of transportation and power and their relation to both industry and agriculture....We undoubtedly need more railroads and also we need a very large extension of public roads for automobiles and trucks. The railroads and the trucks are not competitors--as was at first imagined. Each in its sphere feeds the other...."

"Home Garden Brigade"

"The 'Home Garden Brigade' of Beacon, N.Y., has been launched for 1928 by the veteran Benjamin Hammond, who for 19 years has sponsored this organization of boys and girls whose laudable objective is 'to keep our home yards neat and pretty with flowers and cultivate the home gardens for vegetables.' Membership consists in signing a pledge card to the above effect and confers eligibility for one or more of the five prizes offered--one a medal of the American Rose Society and the other four offered by Mr. Hammond. While the judging of garden work accomplished takes place in July, it is more than probable that the habits and interest in plants instilled during the active season lasts over the remaining months and definitely promotes a permanent civic pride and desire to keep the community more attractive. This year, we understand, Mr. Hammond has secured an enrollment of over

1,000 in his brigade--a splendid achievement surely in a city of about 12,000 population. But aside from the success that his work for greater community neatness and beauty has achieved locally, the Home Brigade idea has been copied or adopted in many other places throughout the country." (Florists Exchange, May 19.)

Master Farmer Project in New England

An editorial in New England Homestead for May 26 says: "What about the Master Farmer idea for New England? This commendable movement has gained much headway in the Mid-west and South. The aim is to suitably recognize men who are good farmers, clear thinkers and who are citizens who have made their community better for having lived therein. A carefully worked out score card totaling 1,000 points gives the operation of farming 290 points, business methods and ability 190, general farm appearance and upkeep 119, home life 290, citizenship 120. Naturally there are many subdivisions under each of these headings well calculated to bring out the truth concerning the qualifications of all candidates. Certainly our farmers have as much right to be recognized for outstanding work as have captains of industry, war heroes and the like. Our advices are that the Maine farm bureau federation is planning to sponsor a Master Farmer honor in that State this year. Have any of our other New England States started the project? It is a fine opportunity for the farm bureau or the grange, both of which are strong in New England, to push forward something worth while. Needless to say New England Homestead will be only too glad to cooperate in every possible way. If it is the wish of farmers and farm organizations, The Homestead will even go so far as to sponsor the movement. The desirable ends to be gained justify the work involved. If enough readers drop us a line to show a real desire for the Master Farmer project in New England, we will see what can be done about it."

Price Legislation

An editorial in The Wall St. Journal for May 25 says: ".... No matter how high prices might be there are some farmers who would still be below the marginal line just as there always are in any business. No business is free from a certain percentage of inefficients whose slipshod ways and mismanagement keep them down. There are lands and mines that are on the margin between profit and loss. Raise the prices of their products and there would be still others to take their places on the margin line requiring still higher prices to permit working at a profit. Just as there are marginal mines and farms so there are marginal men, including some farmers. The great bulk of farmers are not marginal men nor are they working marginal lands and if, at present prices, they can not make a good living with a profit, what is the reason?...High operating costs, due largely to interest and taxes. Are these matters for legislative price fixing? Farmers asked for cheaper credit and the Government gave them the Federal Land Bank, the Joint Stock Land Banks and the Intermediate Credit Banks. Their high taxes are not Federal but local. If they need still lower interest or relief from their local taxes, it should not be granted by imposing a tax on the people through price legislation."

Rubber

An editorial in to-day's New York Times says: "The formation of the Rubber Institute by twelve of the leading American rubber manufacturers, although having as its object marketing rather than purchasing supplies, can not but be of interest to the American people as a whole, who are the world's greatest consumers of rubber goods....The outstanding facts to-day are these: The United States consumes about two-thirds of the world's rubber; American interests control less than 3 per cent of the world's production of rubber. In other words, the American people continue to be dependent on foreign sources for practically all the rubber which they use. It has been estimated that upward of 12,000,000 in this country, aside from being users of rubber in one form or another, are dependent on occupations which, in turn, depend on rubber as an essential....The British Rubber Growers' Association has recently issued a statistical pamphlet which lists the total American owned or controlled rubber lands as 105,000 acres out of a world's total of 4,750,000 acres. Of this, three-quarters is in the Dutch East Indies, the balance in the Straits Settlements and elsewhere. This does not include areas like Liberia, where the lands have not yet begun to produce. It means that the British and the Dutch continue to control the larger part of the world's rubber production. The latest figures from Dutch sources indicate that had the British restriction plan been continued throughout this year the British share of the world's rubber output would have dropped to 55¼ per cent, whereas the Dutch share would have risen to 41¾ per cent. This includes what is technically called 'native rubber' as well as 'plantation rubber,' i.e., rubber grown by the natives on small holdings. There is now talk of Anglo-Dutch cooperation in a plan of so-called 'voluntary restriction,' which will endeavor to raise the price of rubber artificially. If this can be done, the American consumer will again 'pay the piper.'...If American interests controlled a larger share of the world's rubber production there would be little likelihood that any such effort to raise prices would even be considered."

Tuberculosis Eradication In Massachusetts and Rhode Island

An editorial in New England Homestead for May 26 says: "Late last week Governor Fuller signed the increased indemnity bill concerning the eradication of tuberculosis in Massachusetts herds. This boosts the $25 reimbursement to farmers on grade animals to $50 and on purebreds from $50 to $75. In addition, of course, there is the usual Federal indemnity amounting to $25 on grades and $50 on purebreds. It is figured that this new law is one of the most important forward steps in behalf of the Bay State livestock industry which has occurred for many years. The act does not become effective until December 1 next but Commissioner Cummings suggests to farmers that they make their applications at their early convenience with the provision that the cattle be not tested until indemnity is covered by the new law. The legislature reduced the appropriation for bovine tuberculosis work to $100,000 but this, together with the unexpended carryover of around $67,000, will in all probability serve to carry forward the work....Meantime it is rather discouraging to note how the Rhode Island legislation has been acting during this same period that Massachusetts has taken a forward step. Down in Little Rhody the bill calling for area testing met ignominious death in the House committee on agriculture without so much as a public hearing. Yet the March figures for cattle condemned in that State showed 21% which may be compared with a little over 12% in Massachusetts and about the

same in Connecticut. Massachusetts is gradually working toward a constructive program of clean herds, whereas Rhode Island apparently will continue to be the dumping ground of all New England. Of all States, Rhode Island has the opportunity of cleaning up its entire area ahead of any commonwealth in the country. Hence the action of its legislature must be most disappointing to those farmers who are aiming at clean herds and the production of a clean and wholesome product."

Section 3

MARKET QUOTATIONS

Farm Products May 25: Livestock prices; Slaughter cattle, calves and vealers; Steers, good and choice, $12.75 to $14.25; cows, good and choice, $9 to $12.25; heifers, good and choice, $12.50 to $14; vealers, good and choice, $13.50 to $16; feeder and stocker cattle steers, good and choice, $11.50 to $12.75; heavy weight hogs, medium, good and choice, $9.35 to $10; light lights, medium to choice, $7.50 to $9.75; slaughter pigs, medium, good and choice, $7 to $8.25; (soft or oily hogs and roasting pigs excluded from above quotions); Slaughter sheep and lambs: Lambs, good and choice, $15.75 to $16.85.

Grain prices quoted: No.1 dark northern spring wheat (13% protein) Minneapolis $1.76¾ to $1.80¾. No.2 red winter Chicago $1.76; Kansas City $1.66 to $1.72. No.2 hard winter (12½% protein) Kansas City $1.50 to $1.64. No.2 hard winter (not on protein basis) Chicago $1.56 to $1.57; Kansas City $1.51 to $1.52½. No.3 mixed corn Chicago $1.04½; Minneapolis 97 to 98¢; Kansas City 97 to 99¢. No.3 yellow corn Chicago $1.05 to $1.07; Minneapolis $1.02 to $1.04; Kansas City $1.00½ to $1.02. No.3 white oats Chicago 69½ to 72½¢; Minneapolis 64 5/8 to 66 5/8¢; Kansas City 70 to 71¢.

California Salmon Tint cantaloupes sold at $4 to $6 per standard 45 in terminal markets; $1.75 to $2 f.o.b. Brawley. California and Texas yellow Bermuda onions ranged $1.25 to $1.75 per standard crate in consuming centers; 85¢ to 90¢ f.o.b. Laredo. Florida Spaulding Rose potatoes closed at $4.75 to $5 per barrel in leading city markets; $3.50 f.o.b. Hastings. Louisiana and Alabama sacked Bliss Triumphs $2.65-$2.75 carlot sales in Chicago. Maine sacked Green Mountains $1.50 to $2 in eastern cities; bulk stock mostly 85¢ f.o.b. Presque Isle. Various varieties of strawberries sold at 7 to 15¢, quart basis, in eastern cities. Eastern Shore of Maryland, Delaware and Virginia Premiers $3.75 to $5 per 32-quart crate in Philadelphia.

July future contracts on the New York Cotton Exchange advanced 19 points to 20.60¢, and on the New Orleans Cotton Exchange they advanced 21 points to 20.41¢. On the Chicago Board of Trade July futures advanced 22 points to 20.50¢. Average price of Middling spot cotton in 10 designated markets advanced 18 points to 20.25¢ per lb. On the corresponding day last year the price stood at 15.91¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 45¢; 91 score, 44½¢; 90 score, 43½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23 to 23½¢; Single Daisies, 24½¢; Young Americas, 25½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 49 Section 1 May 28, 1928.

DEFICIENCY BILL The Senate May 26 adopted the conference report on the $146,000,000 second deficiency bill, thus completing congressional action.

THE TAX BILL The House of Representatives May 26 completed action on the revenue bill by adopting the conference report passed by the Senate May 25. The measure as it now goes to the President provides for a total tax reduction of $222,495,000. While the reduction exceeds by $22,000,000 the maximum set for tax revision by the administration, little doubt is felt that Mr. Coolidge will sign the measure. (Press, May 27.)

ADJOURNMENT AND BOULDER DAM The press May 27 reports: "Confronted with demands for a longer session, the Senate will vote on Monday on the House resolution fixing 5 p.m. Tuesday as the adjournment hour for Congress. Leaders believed it would be adopted. Arguing for longer consideration of his Boulder Canyon Dam bill, Senator Johnson of California has two amendments to the resolution, one setting a week from Tuesday as the adjournment date, and the other designating next Saturday as an alternative."

PACKERS CONSENT DECREE Information as to the present status of the packers consent decree is being sought by Senator Copeland, who presented to the Senate May 25 a resolution calling on the Attorney General to furnish a statement thereon. (Press, May 26.)

RADIO LICENSES The press to-day reports that looking toward further elimination of interference in radio broadcasting channels, the Federal Radio Commission yesterday ordered the licenses of 162 stations revoked if they fail to prove by August 1 that the "public interest, convenience and necessity" will best be served by an extension of their broadcasting privileges. Although the licenses would have expired automatically June 1, the commission's action serves to circumvent all possibility of renewals in the event the radio stations enjoined prove unsuccessful in arguing their rights to a continuance. A 60-day extension was granted to all 162, to allow them an opportunity to state their claims.

BUSINESS CONDITIONS A mixed trend of industrial activity was reported yesterday by the Federal Reserve Board in a review of business conditions for April and May. While industrial activity continued the board said the volume reflected chiefly an increased output in the metal industries, while activity in industrials producing food and clothing decreased. Wholesale and retail trade also declined and the general level of wholesale commodity prices increased in April, reflecting advances in farm products.

Section 2

Butter Improvement

An editorial in The Dairy Record for May 23 says: "The amount of quality improvement work being carried on among cream producers in the United States is far greater than is generally known. While the work is naturally progressing more rapidly in the older established dairy centers, real progress has been made in other sections. Iowa reports a marked improvement in the general quality of the cream received by its butter factories. Minnesota has made vast strides during the past decade; in fact, it has gone ahead so fast in this respect that the markets have with difficulty kept pace with such quantity of fine goods. Quality improvement campaigns and portends of a movement back to the whole milk creamery are indications of how Wisconsin is progressing in this respect. Other Middle Western States, as well as the Pacific Northwest, and even the South, are on the bandwagon and definitely headed toward better raw material....Improving the quality of raw material represents a difficult problem to the creamerymen. In fact, the average operator is prone to think that the securing of fine raw material and the production of a resultant fine piece of goods is all that is necessary. Perhaps it is in an individual case, but, from a broad standpoint, there still remains the question of marketing this rapidly increasing amount of fine butter to advantage. Subject, as is everything else, to the law of supply and demand, a heavy increase in the percentage of fine butter naturally means a narrowing of the spread between grades....There is no occasion for immediately jumping to the conclusion that it is not worth while to produce fine goods. Such is not the case. There is, however, a need of recognizing the fact that producing fine goods is not sufficient; that fine butter must not only be of a high quality but it must be distinctive. As we have explained before, that distinctive butter requires certain characteristics, such as its flavor and aroma, which will cause the consumer to insist upon having that particular kind of butter and be willing to pay extra for it."

Canners Seek Data

The National Canners' Association has decided to get basic facts on which a program can be worked out that will assist the industry to adjust its production to consumption, the facts to be obtained through cooperation with Government agencies and by the collection of all available statistics. This action was decided upon at the closing session of the spring meeting of the board of directors at their headquarters at Washington. The canners decided to be represented at the public hearing on canned tomatoes to be held by the Tariff Commission in connection with its study of the costs of production of canned tomatoes and tomato paste, resulting from a petition by the industry for an increase in duty on these two articles under the flexible provision of the tariff act. (Press, May 26.)

Chinese Egg Situation

Frozen egg products plants are operating actively in Shanghai and other Yangtze Valley centers, according to a cablegram received by the Department of Commerce from its Shanghai office. In consideration of the present cost of manufacture native manufacturers of dry albumen and yolk in the vicinity of Shanghai are inclined to limit production pending better prices and market outlets. Hankow and Tientsin shippers appear to be able to meet offers, with the result that considerable cargo is moving from these centers.

Farm Conditions An editorial in The Nebraska Farmer for May 26 says: "Farmers need, among other things, a good cheer-leader, according to D.H.Otis, director of the agricultural commission of American Bankers Association, in a recent speech to Kansans. Mr. Otis believes that farmers have been told so often they are the underdog, that they now think they can not help themselves. Mr. Otis is right. Farmers do need to approach their work and problems in a more cheerful frame of mind, and with a firm determination to succeed, instead of a hopeless resignation to their fate, and with no interest in their welfare as a group. Moreover, too many farmers look with suspicion or unconcern upon any effort toward agricultural improvement. It is mighty disheartening to those who would like to assist in the solution of farm problems to note how few farmers will take the time to attend meetings to discuss these problems and pledge themselves to plans of action looking toward a solution. Farmers as a class can be one of the most powerful groups in the country if they will get together, work together and stick together. The day when that goal will be reached can be hastened by an increased confidence by farmers in each other. They must learn to cooperate in motives before they will succeed in marketing."

Federal Commission's Report on Cooperation One volume of the recent report on cooperative marketing associations of the Federal Trade Commission to the Senate records a survey showing that farm members of 10,160 cooperative associations did an estimated total business of $2,400,000,000 in "a recent year," as compared with a total of $635,839,000 for only 5,424 associations ten years earlier. Stating that recent growth of the large scale cooperative business organizations has been due to special cooperative State and national laws which manifest a public policy favoring the exemption of farmers' marketing organizations from the operation of the anti-trust laws, the commission added that future public policy will be governed by the manner in which the privileges are used. The commission found that failures and suspensions of cooperatives have been due to such causes as organization mistakes, mismanagement, lack of membership support, price declines, falling off in demand, either of domestic or export markets, and internal dissensions. (Press, May 24.)

Ford on Industrialized Farming Henry Ford is quoted in The World's Work for June as saying: "The machinery for the industrialization of farming is already in hand. The tractor, the combined harvester-thresher, the cotton picker, and a number of other mechanical tools can make the element of human toil in farming almost negligible. But these tools can be used to advantage only on great units, and only transportation can make these units. The moment that it can be demonstrated that the production on the farm can approach the production of the factory, the money will not be lacking to organize the big farming companies, which can pay in wages much higher returns than all but the best farmers are now able to earn. That has been the progress of industry and it will be the progress of farming. The only drawback is that unwise legislation may check the growth of efficiency."

Rubber in East Indies The Journal of Commerce for May 26 says: "Rubber production in the Dutch East Indies will, it is predicted, expand greatly within the next few years as a result of improved methods of tapping and expansion of the producing area since 1923. The writer of an article published by the Dutch Division of Commerce at Buitzenzorg who makes

this prediction also asserts that the increased output will not await a rise in prices but that much of this rubber will come forward irrespective of the market position. The reason for this is attributed to the greater possibility of tapping trees at irregular intervals, thus adding to the production and wages of individual coolies even when unit prices are low. Another factor that prevents output from responding to changes in prices of crude rubber is said to be the state of the money market. If funds are abundant and interest rates low, tapping will be encouraged even though the price situation may not be satisfactory. On the other hand high interest rates and tight credits may result in a suspension of work when market conditions are otherwise favorable. This survey adds to the list of unsuspected obstacles to the success of attempts to control world prices of crude rubber. Apparently it is not even possible to rely in practice upon so self-evident a proposition as that rising prices stimulate production while falling prices discourage activity."

Storage of Farm Products

An editorial in The Wisconsin Agriculturist for May 26 says: "Wisconsin may well take a good lesson from the very interesting address of J. F. Walker delivered at Madison last week. His tour to the leading sheep and wool producing countries convinced him of one great fact--farming will not succeed as a business so long as the practice of dumping staple crops on the market continues. Instead they should be stored and merchandised gradually, as rapidly as the demand will absorb them at a good price--and no faster. The wool producing countries which are doing a successful business spend a whole year getting their crop onto the market. They argue that it takes a year to produce a clip and people are buying woolen products at all seasons, so why should the grower let go of his product for some one else to handle and enjoy the market margins. In Australia Mr. Walker says that the growers were amazed when told that the bulk of the American wool crop was dumped onto the market within a few weeks after it was clipped. The conclusion there was that our farmers and other business men were of different breeds! This same plan will apply to other products. Our Wisconsin growers are handling their tobacco on a pooled basis and having more to say as to the price. How about cheese? The federation is making good headway in cooperative selling and will do better when the capital fund is raised. But Wisconsin cheese should be stored and merchandised by the makers rather than by those who merely buy it and hold it for the proper cure. Farmers may well study carefully the question of merchandising vs. dumping."

Woolen Industry Plan

A.D.Whiteside, president of the Wool Institute, presented an elaborately detailed program for the immediate formation of "vertical and horizontal trading alliances among retailers, cutters, weavers, spinners and wool merchants" as the means of rehabilitating that industry in his official report to the first annual meeting at New York, May 23. The report in the press of May 24 says: "The vital principle in Mr. Whiteside's plan is closer contact with retailer and consumer demands. The automobile industry and chain stores,'two divisions which have shown the most phenomenal expansion and most consistent profits,' are distinctive in that they 'maintain continually a definite and accurate knowledge of the exact demand for their products, resulting in the most economical manufacturing and purchasing schedule," according to Mr. Whiteside. His plan aims to bring this same knowledge to the regulation of the woolen and worsted trade...."

Section 3
MARKET QUOTATIONS

Farm Products May 26: Grain prices; No.2 red winter Chicago $1.75; Kansas City $1.65 to $1.71. No.2 hard winter (12½% protein) Kansas City $1.58 to $1.63. No.2 hard winter (not on protein basis) Chicago $1.56; Kansas City $1.50 to $1.51½. No.3 mixed corn Chicago $1.01½ to $1.02; Kansas City 94½¢ to 96¢. No.3 yellow corn Chicago $1.03 to $1.03¾; Kansas City 98½¢ to 99¢. No.3 white oats Chicago 68 to 69¢; Kansas City 70 to 71¢.

Livestock prices: Heavy weight, medium, good and choice, $9.35 to $10; light lights, medium to choice, $7.50 to $9.75; slaughter pigs, medium, good and choice, $7 to $8.25. (Soft or oily hogs and roasting pigs excluded from above quotations.)

Average price of Middling spot cotton in 10 designated markets was unchanged at 20.25¢ per lb. July future contracts on the New York Cotton Exchange advanced 1 point to 20.61¢, and on the New Orleans Cotton Exchange they advanced 4 points to 20.45¢.

Florida Spaulding Rose potatoes held firm at the close of the week at $4.25 to $5 per barrel in leading city markets. Louisiana and Alabama sacked Bliss Triumphs 50 to 60¢ lower in Chicago at $2.20-$2.40 per 100 pounds carlot sales. Bliss Triumphs closed 50 to 75¢ lower f.o.b. Mobile, Ala. at $1.75 per 100 pounds. California Salmon Tint cantaloupes ranged 50¢ to $1.50 lower at $3.75 to $5 per standard 45 in consuming centers; $1.72-$2.25 f.o.b. Brawley. Texas and California yellow Bermuda onions slightly weaker at $1.25-$1.75 per standard crate in terminal markets. Various varieties of Virginia strawberries weakened slightly in New York City selling at 7¢ to 10¢ per quart. Maryland Klondikes and Missionaries brought 9¢ to 12¢ and Premiers 12¢-16¢. Arkansas and Missouri Aromas closed at $4.50 to $5.50 per 24-quart in Chicago with Kentucky Aromas at $5-$5.50.

Wholesale prices of fresh creamery butter at New York were: 92 score, 44¢; 91 score, 43½¢; 90 score, 43¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23 to 23½¢; Single Daisies, 24½¢; Young Americas, 25½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 50 Section 1 May 29, 1928.

FEDERAL SALARY BILL The press to-day reports that President Coolidge yesterday signed the Welch pay-increase bill, making that measure a law. The bill raises the pay of 135,000 employees of the Government, 45,000 in Washington and 90,000 in the States. The new law increases the annual pay roll about $20,000,000 and provides for an average increase of about $180 a year. This is the first increase the Federal employees have had since the war. The increases become effective July 1.

THE RETIREMENT BILL The press to-day reports: "House leaders are blocking a vote on the Dale bill to liberalize the civil service retirement law, it was learned yesterday. If they have their way, the bill is doomed so far as the present session is concerned. The bill, which affects more than 400,000 employees, was passed by the Senate without a dissenting vote. ..."

BILLS BEFORE THE PRESIDENT President Coolidge has before him the tax reduction bill, the Muscle Shoals bill and the postal rates reduction measure, according to the press to-day.

CHAIN BRIDGE BILL Representative Moore of Virginia introduced a bill yesterday directing the Secretary of War to prepare estimates of the cost of a bridge across the Potomac River to supplant the old Chain Bridge. The bill authorizes an appropriation of $10,000 to cover the expense of preparing the plans. (Press, May 29.)

CONGRESS ADJOURNMENT The Senate yesterday voted down, 41 to 40, a resolution to adjourn at 5 o'clock to-day, Vice President Dawes breaking a tie vote. (Press, May 29.)

GYPSY MOTH An Albany dispatch to The New York Times to-day says: "Federal aid to press the campaign against the gypsy moth more aggressively is being urged by State officials. For five years New York State has prevented the westward advance of the moths from New England, where they have destroyed millions of dollars' worth of forest, fruit and shade trees. In 1923 New York established a barrier zone east of the Hudson River, and the New Jersey and Canadian governments cooperated in extending this zone a short distance into Canada and northern New Jersey. Since the establishment of this zone not a single new infestation has been found west of it. Should the moths pass this barrier and get into the great forested areas of the Adirondacks and Catskills, they would threaten not only all of New York State but all of the States west of New York...."

Section 2

British Farm Credits

An editorial in The Field (London) for May 17 says: "...The bill introduced by the Minister of Agriculture which is to provide both long and short term credits requires the formation of an agricultural mortgage corporation, assisted by Government funds....The corporation will be empowered to make long term advances to owner-occupiers on the valuation of their land, up to two-thirds of the value, to be repaid by equal yearly or half-yearly installments. Credit facilities for the purchase of farms are already available through the Lands Improvement Company, which since the war has provided many tenants with the means of buying their farms when it became necessary for them to do so or clear out. It is intended that the new agricultural mortgage corporation, operating on a larger scale with Government backing, will be able to extend the usefulness of this method of financing the purchase and improvement of farm land. Sir George Courthope, who speaks with full knowledge of the subject, said in the course of the House of Commons debate that 'it should be possible, as a result of this bill, for the rate of interest at which money can be loaned for improvements to be reduced by something like 10s. per cent.' It is very necessary for long term credit to be readily available for the improvement of farm property. Most agricultural landowners are not in a position to-day to be able to sink any further capital in the erection of new buildings. If credit is freely available on favorable terms it will be made more possible for landlord and tenant to agree to share the cost of a loan for the erection of a new cowshed, a silo, or whatever improvement is needed for the better working of the farm....It can not be pretended that further credits, such as this bill provides, are likely to prove a complete remedy for the troubles of agriculture. The root causes of high costs of production and low prices go deeper than that. To the farmer who is losing money already additional credit will only be a millstone round his neck if he does not know how to invest it to the best advantage. Nevertheless this new effort to help the farmer is welcome. The small cost of the scheme to the Nation will be fully justified if it is successful in providing a new channel by which the funds of the banks can be made available more cheaply for the development of the agricultural industry."

Cooperative Meeting

An editorial in The Oregon Farmer for May 24 says:"...Don't forget Chicago June 1. On that date there should assemble in that city the greatest cooperative gathering in the history of America. It has been called by the wheat pool conference of the Middle West but it is to be a meeting of representatives of all cooperatives in the United States and many from Canada to work out a basic program for the continued development of cooperation and to meet fairly and squarely the challenge of the Federated Agricultural Trades of America. Every cooperative in the Pacific Northwest should be represented at Chicago June 1 and play its part in protecting the greatest movement ever launched in the United States of America for the good of agriculture."

Cotton Consumption

The total world's cotton consumption for the half year ended January 31, 1928, was 12,987,000 bales, as compared with 12,729,000 bales consumed in the corresponding half year of 1927, according to advices just transmitted to Bankers Trust Company of New York by its

British information service. Of the total amount consumed 8,226,000 bales were American cotton, 2,303,000 bales East Indian cotton, 1,969,000 sundry kinds of cotton, and 489,000 bales were Egyptian cotton. There was an increase in the total consumption of 258,000 bales over the 1927 half year--803,000 additional bales of American cotton consumed, 2,000 additional of Egyptian cotton, while the consumption of East Indian cotton suffered a decrease of 515,000 bales, and that of sundries a decrease of 32,000 bales. On the 31st of January 1928 total world's mill stocks of all kinds of cotton amounted to 4,882,000 bales, as against 4,755,000 bales on January 31, 1927, and 4,648,000 bales on January 31, 1926, or a stock larger by 127,000 and 234,000 bales respectively. However, while mill stocks of all kinds of cotton on January 31, 1928, were larger than they were at the same time in 1927, stocks of American cotton were 115,000 bales smaller than they were at the earlier date.

Dairy Industry Program

An editorial in Hoard's Dairyman for May 25 says: "Sam H. Greene, manager of California Dairy Council, has a rather unique way of presenting facts concerning the dairy industry. He also has the faculty of looking ahead and laying plans on which a sound dairy industry may be built. He recently said, 'The consumption of all dairy products in the United States is still somewhat ahead of production. In consequence, the dairy tariff on products operates to protect the industry with the result that the American dairy farmer is being paid the highest prices in the world for butterfat by at least 12 cents a pound. In the Northwest, in the vicinity of Bellingham, Washington, and Vancouver, B.C., dairymen on the United States side of the line are getting 10 to 12 cents more for butterfat than dairymen on the Canadian side are receiving.' He points out that the margin of safety is very slight, and says, 'We are producing the requirements of our people in the United States for 363 days, all that we need to import is enough to supply them for the other two days. If consumption should drop very slightly or production increase somewhat, we could take care of those two days ourselves and with some to spare.' This condition shows that there is no great reason for increasing the production of dairy products. We have an increased population of about two million a year; or, in other words, about 5,000 new persons come to our breakfast table each morning. There should be an increase in production to take care of these, but much increase over this would mean lower prices. Mr. Greene insists that we continue to get rid of diseased cows and low producers, feed the profitable cows more intelligently, use purebred sires and raise their heifers, and unite all branches of the dairy industry into a broader and more active campaign for a still further increase in the consumption of dairy products. This is a sound program and no dairy farmer should lose sight of its value and importance."

Farm Boy School

A folk school for farm boys over 14 years of age who are not in attendance upon any other school is held every Saturday in Barron, Wis., which is located in the midst of a farming and dairy section. Sessions are held in the high school building from 10 a.m. to 3:30 p.m., and all instructors are members of the high school faculty. Class periods are of one hour each. The course in soils is required, but students are allowed to elect other courses. As a matter of fact most of the boys are taking all the courses offered, says the United States

Bureau of Education. Present enrollment is twenty-six students, some of whom come regularly from a distance of thirteen miles. Expense of the school is met by the Board of Education of Barron, with some assistance from the State. Courses will be offered to country girls in domestic science and other subjects.

Farm Improvements An editorial in Farm Implement News (Chicago) for May 24 says: "Manufacturers who produce farm electric light and power plants and those who make farm home water supply systems frequently point out the obvious fact that the potential market for this equipment exceeds in possibilities that of any other type of merchandise selling in rural communities. When one reads statistics showing the percentage of the farm homes in various States in which electric light and running water are available, there is no question about the potential market. Nine out of every ten are prospects, in many sections....In any discussion of the subject, manufacturers frequently bewail the apparent blindness of farm equipment dealers to their opportunities to sell farm home equipment. The market is there, they say. Why don't more dealers go after the business?...On the face of it, we have here a real problem of distribution, the solution of which should vastly interest both manufacturers and dealers. A joint meeting of committees representing each branch of the trade might be able to formulate a working plan for increasing volume and at the same time accelerating the movement towards placing farm homes on the same cultural plane as those in our towns and cities."

Ford on Waterways Henry Ford is quoted in The World's Work for June as saying: "A waterway gives the cheapest facility for heavy transport. We have an abundance of such waterways. Developing a waterway for transportation brings benefits in many directions. First, the dams and reservoirs required to give a steady depth of water for navigation fit in perfectly with the generation of power by electricity. We now know how to get the utmost out of the water flow and also how economically to transport the power over considerable distances. Second, the rush of waters that causes a flood can be taken advantage of to provide an even flow in times of drought. Third, the massing of big bodies of water helps the rainfall and also provides for irrigation. In any particular case one of these elements may be much more important than the others, but they all work together. The country already has before it a number of these projects--all of which have been hanging for years, not because their merits are disputed and not because the necessary engineering skill or the necessary money is lacking, but because all of the projects require a clearing of the way by the Federal Government in cooperation with State governments. And largely because these great economic and engineering questions are not fully understood by politicians they are debated and debated--and in the end nothing is done...."

Wool Market The Commercial Bulletin (Boston) for May 26 says: "The demand for wool, more especially domestic descriptions, is steady and prices are firm with upward tendency for all qualities. Mills are taking the new domestic clip about as fast as received in warehouse. Foreign wools are slow of sale. The foreign markets are all very firm, following the strong close at London. Operations in the West continue steadily at full recent rates. The goods market is healthy with moderate business being done all the while."

Section 3
MARKET QUOTATIONS

Farm Products May 28: Livestock quotations at Chicago on slaughter steers, good and choice, $13-$14.50; cows, good and choice, $9-$11.75; heifers, good and choice, $12.50-$14.15; vealers, good and choice, $13-$16; feeder and stocker steers, good and choice, $11.75-$13; heavy weight hogs, medium, good and choice, $9.25-$9.85; light lights, medium to choice, $7.40-$9.60; slaughter pigs, medium, good and choice, $7-$8.25; slaughter lambs, good and choice, $15.75-$17.

South Carolina Cobbler potatoes $3-$4 per cloth-top barrel in eastern cities. Florida Spaulding Rose $3.50-$4.75 per double-head barrel. Louisiana and Alabama sacked Bliss Triumphs $2-$2.25 per 100 pounds carlot sales in Chicago. Florida fancy count tomatoes, wrapped, ripe and turning $3.25-$4.25 per six-basket carrier in city markets and $2.75 f.o.b. shipping points. California and Texas yellow Bermuda onions $1.25-$1.65 per standard crate in consuming centers. California Salmon Tint cantaloupes $3.50-$4.50 per standard 45 in terminal markets and $2-$2.50 f.o.b. Brawley.

Closing price of 92 score butter at New York was 44¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 23-23½¢; Single Daisies 24½¢-25¢; Young Americas 25½¢.

Average price of Middling spot cotton in 10 designated markets declined 4 points to 20.21¢ per lb. July future contracts on the New York Cotton Exchange declined 5 points to 20.56¢, and on the New Orleans Cotton Exchange they declined 8 points to 20.37¢.

Grain prices: No.1 dark northern spring wheat at Minneapolis $1.46½-$1.88½; No.2 red winter, Chicago $1.74; Kansas City $1.65-$1.71; No.2 hard winter, Chicago $1.51¾-$1.52½; Kansas City $1.48½-$1.50; No.3 mixed corn Chicago $1.01-$1.02¼; Minneapolis 96¢-97¢; Kansas City 95¢-96¢; No.3 yellow corn, Chicago $1.02-$1.03½; Minneapolis $1.01-$1.03; Kansas City 98½¢-99¢; No.3 white oats, Chicago 64¢-68¢; Minneapolis 62¢-64¢; Kansas City 68½¢-69½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 51 Section 1 May 31, 1928.

BILLS SIGNED The press of May 30 reports that on the closing day of the congressional session President Coolidge signed 220 bills and sixteen joint resolutions, all of which thereby became laws. Most of them were signed at the White House, but at the Capitol, where he spent the last two hours of the session, he signed ninety-two. The President has taken no action yet on the Muscle Shoals bill. He has until midnight to-day in which to sign the measure. If he fails to do so by that time the bill--by a "pocket veto"--will not become law. The public bills signed on May 29 include: Tax reduction bill. Postal rate bill. Bill granting pensions to soldiers and sailors of regular Army and Navy. Deficiency appropriation bill. Bill amending Section 24 of Immigration law of 1917. Joint resolution suspending provisions of law in connection with acquisition of Alabama national forest. Joint resolution for appointment of board of engineers to examine and report on the Boulder Dam. Joint resolution to preserve for development the potential water power and park facilities of the Gorge and Great Falls of the Potomac River. Bill authorizing Postmaster General to erect community mail boxes on rural routes. Bill authorizing Department of Agriculture to establish livestock experiment station for South near Lewisburg, Tenn. Bill amending Inland Waterways Act of 1924. Bill for eradication of European corn borer. Bill for survey to determine best method of utilizing waters of Gila River. Joint resolution relative to adjustment of Northern Pacific land grants. The President also signed 141 relief bills of various kinds and twenty-eight bridge bills.

BOULDER DAM BILL Legislation which failed of enactment in the closing session of the first session of the Seventieth Congress included the Boulder Dam Canyon bill, which provides for the erection of a huge dam in Arizona and Nevada to control the flood waters of the Colorado River and provide hydro-electric power and water for irrigation and for other power plants. The bill will be brought forward again in December, according to the press of May 30.

THE RETIREMENT BILL The Dale bill to liberalize civil service retirement goes over to the short session of Congress in December.

MARCONI ON BEAM RADIO A London dispatch to-day states that Senator Marconi announced in an interview May 29 that he is experimenting on a beam wireless transmission which may be switched around from one part of the world to another, just as a searchlight is focused. "As beam stations are fixed at present," he said, "America can not be turned on to Japan, and India can not be utilized for Russia or the North Pole. Now I am going to try a type of station which can be turned by machine, in the same way as a searchlight is turned. Where there is a revolving beam, if you want to transmit it to a certain country, you merely direct the beam toward that country. The results will thus be very important if the tests are successful."

Section 2

British Agricultural Credit

The Statist (London) for May 12 describes the new British agricultural credits bill as follows: "Many months of diligent research and labor have gone to the framing of the Government's agricultural credits bill, the text of which was made public at the close of last week. The proposed measure tackles two problems. The first is the provision of long-term credits for agriculture. The second is the facilitation of short-term credits through the establishment of machinery for the creation and registration of a kind of 'chattel mortgage.' The first problem is one that requires for its solution the helpful intervention of the Government. The difficulties of agriculture were evidently such as to call for altogether new methods of approach. Our home banks have acted by no means ungenerously in their grant of credit accommodation to the farming community, but their tradition of keeping assets as far as possible in liquid and easily realizable form has prevented them from doing as much for agriculture as this industry truly requires in the shape of long-term credit. Some attempt to satisfy these needs is to be made by the establishment, under official auspices, of an agricultural mortgage bank, whose principal object will be the making of loans either on mortgages of agricultural land or under the Improvement of Land Acts, 1864 and 1899, for agricultural purposes. The new institution is to have the benefit of a Government advance of 750,000 pounds, to be made in three equal installments, the first on the incorporation of the company, the second before April 30, 1929, and the third before April 30, 1930. This loan is to be free from interest for a period of sixty years. Further direct help from the Government is to be obtained in the form of ten annual grants of 10,000 pounds as contributions towards the costs of administration. The Agricultural Mortgage Corporation, as it will probably be known, is to have a capital of 650,000 pounds, which is to be subscribed by a number of the principal banks of the country led by the Bank of England. The interest payable on the share capital will be restricted to 5 per cent per annum. The corporation will be authorized to issue debentures, which will rank as trustee securities. Though the maximum of debenture capital is not specified, the issues in immediate contemplation will not exceed 5,000,000 pounds. The Treasury is to be authorized to procure the underwriting for the corporation's debentures up to the amount of 5,000,000 pounds, and may itself subscribe to one quarter of these issues...."

Campbell on Farm Aids

Thomas D. Campbell, of Hardin, Mont., president of the Campbell Farming Corporation, said in a press interview at Washington, May 28: "Agriculture is our greatest economic question and will be solved by the business man and the engineer. The present administration plan to assist in marketing is the first step. It, with the proper use of our Republican tariff, will ultimately give to agriculture the prosperity and stability to which it is entitled. We must get away from the idea that business, particularly big business and agriculture, are unfriendly. Such is not the real condition, as each is necessary to the other. I have always found business very friendly to agriculture. Business men realize that we can not have national prosperity without agricultural prosperity."

Canadian Highways — Since the passing of the Canada Highways Act in 1919, under which the Canadian Government set aside $20,000,000 to assist the various Provinces in the building and improvement of highways, more than 8,000 miles of highway have been built at a cost of $48,990,092. Of this the Government has contributed $19,596,388. (Press, May 29.)

Canadian Horse Market — In line with other branches of the livestock industry, horse raising in Western Canada gives every indication of reviving to a state of record activity, according to a bulletin recently issued by the Canadian Pacific Railway. At the annual meeting of the Alberta Horse Breeders' Association it was reported that the demand for heavy farm horses had increased tremendously in recent years and similar opinions have been expressed in other Provinces, says the bulletin. On top of this the Federal Minister of Agriculture declares that the demand for good saddle horses and hunters is keen and growing and urges breeders to take advantage of the aid being given to this branch of the industry through the establishment of breeding stations.

German Farm Loan — The New York Times of May 28 reports that a loan for the benefit of German farmers is being arranged in New York. It will involve $25,000,000 and will be offered this week by a banking syndicate headed by Lee, Higginson & Co., and Harris, Forbes & Co. Substantial parts of the issue will be placed in foreign markets, including London, Amsterdam, Berlin, Geneva and Stockholm. The loan is to be made to a group of fourteen provincial and communal banks in Germany, the funds to be reloaned to German farmers. The bankers' announcement said: "The transaction holds a most important place in the national program being undertaken in Germany for the improvement of agricultural conditions. It is said to possess several features which have not been characteristic of any German loan for agriculture previously offered to investors here."

Harvest Field Labor — A Kansas City dispatch May 27 says: "Movement of a harvest field labor army through Kansas City will begin within a week, according to a survey made by railroad, Chamber of Commerce and Federal Employment Bureau officials here. 'Contrary to popular assumption,' George E. Tucker, director of the farm labor division of the Department of Labor, said yesterday, 'the big rush of labor recruited here will be bound not for the wheat regions of Kansas and Oklahoma, but for the strawberry fields of Northwest Arkansas and southwest Missouri.' At least 60,000 strawberry pickers will be required to harvest the yield in two counties of Arkansas and six counties in Missouri, Mr. Tucker estimated. Picking began in these sections a week ago and will be in full blast within ten days. The season lasts from three to four weeks. Approximately 40,000 acres are devoted to strawberries in that region and early estimates fix the number of carloads to be shipped at 3,000...."

Immigration — In a study of immigration as a world problem, B.M.Bulla of the National Bank of Commerce says that adjustments between overpopulation and underpopulation in different countries grow more difficult as the world advances in complexity. Mechanical power has gone far toward replacing human strength in carrying on the work of the world, he says, but still, he points out, the prosperity and progress of any country call for a proportional supply of labor to

man its activities and a population able to use its products. The world to-day shows the delay of full development in some countries for lack of labor while others are seriously handicapped by excessive population, he asserts, and goes on: "The sources of oversea population movements are Central and Western Europe and those countries of Asia which have easy access to seaports. There are movements over land boundaries such as the overflow from Poland and Italy to France, from Mexico to the United States and the great outpouring from North China into Manchuria. But the more conspicuous movement and the one which creates problems of conflicting economic standards is the intercontinental tide of migration from Europe and Asia to the United States, Canada, Argentina, Brazil, Australia and Africa. Density of present population is one guide, but not the only one, to the position of countries as sources of emigration or fields for immigration. Of the countries receiving immigrants, the United States showed an average of thirty-five persons per square mile in 1920, Canada less than three and South American countries from six to twenty-one persons per square mile. Australia with its large drought area has approximately two, and the Union of South Africa fifteen...."

Section 3

Department of Agriculture

An editorial in Southern Ruralist for June 1 says: "We have a letter from a reader (D.H.Weeks, Dry Creek, La.) which calls to mind the fact that there are agencies at the service of the man on the farm whose entire time is devoted to digging out and sifting out answers to the every-day questions that come up on the farm, whether those questions arise in the home, the field, in the barn lot, or in the larger field of community, State, national or international relationships. The trouble with a great majority of our farm folks is that they refuse or neglect to make use of the opportunity thus afforded. While Mr. Weeks makes reference only to the United States Department of Agriculture, yet there are a number of other agencies serving the farm family and prepared to do it with most helpful results. Within the counties--most of them--there are usually the county and home demonstration agents. In many communities the Smith-Hughes leader is prepared to help. Beyond that there are the various experiment stations of the State, the State experiment stations, the State colleges of agriculture with all of their departments which in the main are devoting themselves to a study of local problems and local conditions. There are the health departments, both of county and State, and there is the national health department. While it is actually true that the United States Department of Agriculture is by all odds more important and more useful to the farmer than any other, yet there is help to be had from the Department of Commerce, the Department of Labor, from the Shipping Board, and from other boards and commissions....While Mr. Weeks offers nothing at all new in what he says below, yet his statement calls to mind a very important fact, and we are glad to hand it on to our readers: 'Our Government may not be designed exactly as we farmers would like it, but I have found one department of it that is always ready and willing to help us. That is the United States Department of Agriculture. I have gone to them many times for information, and I have never failed to get a practical answer. I have learned through several years of experience that the best thing to do when in doubt about a farm problem is to

write it out plainly and send it to the Department of Agriculture. I have written to them for information on subjects which are covered by other departments, and they have always forwarded my question to the proper authority. I find that many expensive mistakes can be avoided by taking advantage of this department.'"

Section 4
MARKET QUOTATIONS

Farm Products May 29: Livestock prices. Slaughter cattle; calves and vealers; steers, good and choice, $13.25 to $14.75; cows, good and choice, $9 to $11.75; heifers, good and choice, $12.75 to $14.25; vealers, good and choice, $13.50 to $16.75; feeder and stocker cattle steers, good and choice, $11.75 to $13; heavy weight hogs, medium, good and choice, $9.35 to $9.90; light lights, medium to choice, $7.50 to $9.70; slaughter pigs, medium, good and choice, $7 to $8.25; (soft or oily hogs and roasting pigs excluded from above quotations) slaughter sheep and lambs; lambs, good and choice, $15.75 to $17.25.

Grain prices quoted: No.1 dark northern spring (13% protein) Minneapolis $1.71 5/8 to $1.75 5/8; No.2 red winter Chicago $1.73; Kansas City $1.62 to $1.67; No.2 hard winter (12½% protein) Kansas City $1.55 to $1.61; No.2 hard winter (not on protein basis) Chicago $1.52; Kansas City $1.46½ to $1.48½; No.3 mixed corn Chicago $1.01 to $1.01½; Minneapolis 95½¢ to 96½¢; Kansas City 94¢ to 95¢; No.3 yellow corn Chicago $1.02¾ to $1.05; Minneapolis $1.00½ to $1.01½; Kansas City 98½¢ to 99¢; No.3 white oats Chicago 63 to 67¢; Minneapolis 60½¢ to 62½¢; Kansas City 66½¢ to 67½¢.

Florida Spaulding Rose potatoes sold at $3.25-$4.25 per double-head barrel in eastern cities. South Carolina Cobblers mostly $2.75-$3.25 per cloth-top barrel. Alabama, Louisiana and Texas sacked Bliss Triumphs $2-$2.15 per 100 pounds carlot sales in Chicago. Wisconsin sacked Round Whites $1-$1.15 on the Chicago carlot market and 75¢ to $1 f.o.b. shipping point. Virginia and South Carolina pointed type cabbage dropped to 50¢-75¢ per 1½-bushel hamper in the East. Alabama and Mississippi pointed type $2.25-$2.50 per barrel crate in Chicago. California Salmon Tint cantaloupes sold mostly around $3.25-$4 per standard 45 in terminal markets; $2-$2.50 f.o.b. Brawley. Various varieties of strawberries from the Eastern Shore of Virginia and Maryland ranged 12¢-22¢ per quart in eastern city markets. Aromas from Missouri, Arkansas and Tennessee sold at $2.25-$3 per 24-quart crate in the Middle West.

Average price of Middling spot cotton in 10 designated markets advanced 2 points to 20.23¢ per lb. July future contracts on the New York Cotton Exchange was unchanged at 20.56¢, and on the New Orleans Cotton Exchange they advanced 1 point to 20.38¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 44¢; 91 score, 43½¢; 90 score, 43¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23½ to 24¢; Single Daisies, 24½¢ to 25¢; Young Americas, 25½¢ to 26¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 52 Section 1 June 1, 1928

PRESIDENT'S SUMMER RESIDENCE — President Coolidge has decided to spend his summer vacation in a log cabin on the Brule River in Wisconsin, forty-four miles from Duluth, according to the press to-day. The report states that while no plan has been announced for the time of departure of the President, it is expected he will follow his practice of leaving after making his speech before the Business Bureaus of the Government. This will be about June 11.

TREASURY SURPLUS — Estimates of the size of the Treasury's budget surplus at the end of the current fiscal year on June 30 vary from about $375,000,000 to in excess of $450,000,000. The press report says: "The total will depend to no considerable extent upon the amount of income taxes collected this month, during which the second installment is due. If these payments run about the same as they did in June of last year, which now seems probable, the latest figures contained in the Treasury daily statement would appear to indicate a surplus of between $400,000,000 and $425,000,000."

ROADS BODY HEAD — A Des Moines dispatch to-day states that Former Governor W. W. Brandon of Alabama was reelected president of the United States Good Roads Association at Des Moines yesterday. J.A. Rountree, of Birmingham, Ala., was reelected director general.

FARM OFFICIAL HONORED — The University of Maryland has awarded a certificate of merit, for his services in promoting agricultural interests, to Josiah W. Jones, president of the Montgomery County Farm Bureau, it was announced yesterday. (Press, June 1.)

MEAT COMPANIES MERGE — The Washington Post to-day reports that a merger of the A. Loffler Provision Co., Inc., the T.T.Keane Co.,Inc., and the Washington Abattoir Co. into a subsidiary company of Adolf Goebel, Inc., a New York firm, will probably be completed next week. The Washington firms will continue under the subsidiary company to manufacture and sell their products under existing trade-marks. The Goebel Company will market certain of its specialty lines through the Washington firms, but will not market products which compete with the Washington concerns.

GERMAN FARM LOAN — The New York Times to-day reports: "A $25,000,000 loan to be devoted to the national program of improving agricultural conditions in Germany is the feature of the new bond offerings announced for to-day...The proceeds will be advanced to farmers, enabling them to refund short-term indebtedness, reduce interest charges and generally further agricultural development. Fourteen provincial and communal banks are participating in the loan, which will be their direct obligation and in which each will share proportionately in the service...."

Section 2

Agricultural Demonstration Train

Through the cooperation of the agricultural extension service of the University of California and the Southern Pacific Company, the first agricultural demonstration train to tour northern California since the beginning of the World War recently made a trip through the San Joaquin and Sacramento Valleys, where the great bulk of California's crops are raised. The train was made up at the University Farm School at Davis, and stopped at most of the important farming communities of the Great Valley of California between Red Bluff in Tehema County on the north and Bakersfield in Kern County on the south. Within a radius of fifty miles of the various towns visited live from 50,000 to 100,000 farmers who were able to attend the demonstrations. Although the train spent only half a day in each town the remaining morning or afternoon was devoted to farmers' meetings, at which the problems of the immediate district were discussed by faculty members of the University of California Extension Service and the University Farm School, says the American Trust Review of the Pacific.

Agricultural Situation in California

An editorial in Pacific Rural Press for May 26 says: "If you are going to neglect writing to the University Printing Office at Berkeley for your free copy of 'The Agricultural Situation in California,' don't think you will escape the facts contained therein. The new bulletin talks about the increased acreage of our fruits. Did you know that four of our tree specialties had actually increased in price during the last five years despite heavier plantings? For instance, almonds increased in acres 82 per cent in five years, but increased in price 2 per cent. Not the identical five years, but approximately the same. Walnuts jumped 33 per cent in acreage and 10 per cent in price. Oranges made a modest increase of only 7 per cent in acreage, but a proud 27 per cent increase in price. Cherries complete the foursome. This crop jumpted 19 per cent in acreage and 18 per cent in price. If you have a better guess, the sky is the limit, but we like to think that good marketing by strong cooperatives is the principal force. Figs hold the most unenviable position in the bulletin mentioned above. Some persons believed the promoters. The acreage aviated 156 per cent in five years. The price, of course, rode the toboggan. Prunes, much in the conversation these days, increased only 14 per cent in acreage, but decreased 37 per cent in price. Mayhap here is another case where aggressive marketing is the answer. Apricots did better. A 55 per cent increase in acreage and prices held their own. Peaches jumped 46 per cent in acreage, and lost 30 per cent in price. Growers are beginning to take more interest in the problems of marketing which lie beyond the cannery, and none too soon, it would seem. Pears 48 per cent more acreage; 20 per cent less price. Olives 22 per cent more trees; 26 per cent less cash return...."

Australian Immigration

A Canberra dispatch to the press of May 29 says: "Australia, like the United States, is to have its immigration quota. Premier Bruce announced in the House of Representatives May 28 that the Government had decided to place a definite restriction on foreign immigrants. Under the restriction, he said, less than half the number which entered Australia last year would be allowed in during the next twelve months. The Premier stated that an amicable arrangement had been achieved with the Italian Government, by which only 3,000 Italians would enter--entrance being confined to relatives of those Italians who already were in Australia."

English Farm Credit

An editorial in The Journal of Commerce for May 26 says: "England, too, has its agricultural credit problem, which has been recognized in the recently published bill providing for the establishment of a special company to grant long time loans to farmers on favorable terms. 'Favorable terms' means in this case, as it usually does when incorporated into any sort of credit scheme, that the Government is expected to assist. The company is empowered to obtain funds by issuing debentures. The Bank of England and several of the large joint stock banks have agreed to contribute a capital fund of 650,000 pounds. The Treasury is also authorized under the bill to subscribe to the debentures to an amount not to exceed 1,250,000 pounds, while the Government provides a guaranty fund and makes other advances totaling about 900,000 pounds. The plan is primarily intended to provide long term mortgage credits, but provision is made likewise for facilitating short term advances by enabling the farmer to create a charge in favor of a bank on all or any of the farming stock or other assets belonging to him. No new organization for short time loans is contemplated, but it is felt that direct access to lending banks heretofore has been hampered by lack of a system of chattel mortgages, many farmers borrowing on personal security, life insurance, etc. In view of the large sums devoted to agricultural credit institutions in other countries the sums allocated to the English experiment will seem small. The Midland Bank has nevertheless withheld its support from the new scheme on the ground that existing institutions can be used to furnish the relief needed on economic terms."

Forest Week

An editorial in American Forests for June says: "Reports from various parts of the United States and Canada indicate that on the whole this year's observance of American Forest Week during the latter part of April was highly successful in throwing forestry on the screen of public thought. The week was better organized both locally and regionally, material was available well in advance, and the observance was marked by a higher degree of State, national and international cooperation than ever before. This was made possible by the better financial support given the central committee by many of the constituent organizations....The exchange of speakers between the United States and Canada was also a new feature of the week and one which has made for a better forest understanding between the two countries. But it was through the State forest organizations that the American public was most largely and intimately reached, particularly by those States which whole-heartedly seized the opportunity which the week offered to feature forestry in schools, homes, clubs and public meeting places. That American Forest Week during the eight years it has been observed has had a tremendous effect in stimulating public interest in forestry and in giving the layman a better understanding of our forest problems is hardly open to argument. It has provided an opportunity to marshal forest workers throughout the Nation and thereby carry forestry in one form or another to old and young....It is, of course, impossible to measure the value of American Forest Week handled on a national scale. It is a large undertaking, and its full value can be attained only by adequate support of its national unity...."

Maine Poultry An Orno, Maine, dispatch May 27 states that Maine poultry men must hatch about 4,000,000 chickens this year. About 70 per cent of the 2,000,000 hens in the State will be replaced with pullets, experts estimate, and they say it will be necessary to hatch 4,000,000 chicks to get 1,500,000 good pullets.

Meat and Livestock Situation A review of the livestock and meat situation during the month just closed, issued by the Institute of American Meat Packers, states: "Improvement in the demand for smoked meats was the outstanding feature of the meat trade during the month just closed. Wholesale prices of practically all cured products strengthened slightly. The trade in fresh pork was fair, with prices relatively steady after a decline during the first week of the month. The beef trade showed some improvement during the first part of the month, but was unsatisfactory during the last three weeks. The export trade improved slightly, as compared with the previous month. The demand for hams improved, and the wholesale prices increased slightly....Dressed beef prices were relatively steady but declined during the last few days of the month. Hide prices weakened during the month. The dressed lamb market was only fair throughout the month, with a stronger tendency toward the close. Wool sales have been fair, the market continuing on a strong basis."

Prosperity Without Profit Jesse Rainsford Sprague writing on "Prosperity Without Profit" in Harper's Magazine for June says: "...Astonishing as were most of the findings of the British observers, there is one in which there is a shade of truth. In many American industries there does exist a situation that may rightly be described as prosperity without profit. And where this situation exists it is usually the result, as pointed out by the British business men, of too violent competition and too high selling expenses...."

Schwab on Industrial Profits An editorial in The Wall St. Journal for May 29 says: "In the sunny afternoon of his active and useful life, Charles M. Schwab finds himself preaching to Americans what Aristotle taught the Athenians three centuries before the beginning of the Christian era. Virtue is the mean between two extremes. He would not have the steel industry expect or receive large returns, but he asserts with a telling earnestness that it is not now obtaining the profit required to keep the craft vigorously alive. After severely searching out its own weaknesses and stopping most of the avoidable wastes, it has a right to ask a wider margin over cost. It is a curious and perhaps significant fact that the difficulties of steel making, as Mr. Schwab describes them out of his unsurpassed knowledge, are almost identical in outline with the complaint arising in the majority of our basic industries. The low profit margins, the hunger for volume and the exhausting wrestle for orders to keep plants employed to capacity, leading to the constant resort to expedients which those who use them know are inherently wasteful, are likewise to-day's story in coal, textiles, transportation and building construction. And this in the midst of a period which, judged by comparative statistics and by the relative living conditions of the multitude, is almost everywhere conceded to be one of what we call prosperity. Mr. Schwab is too wise to turn with easy optimism in the direction of higher selling prices, knowing that the very conditions of which he complains work powerfully against that relief. He is still mentally young and alert

enough to have perceived that our new prosperity is based, whether securely or not, upon the theory of a high and stable wage level. For the larger part his hope rests upon something like a division of territory by agreement among steel makers to refrain from competing in too distant markets, where they may indeed take business away from the nearer producer but at a destructive cost...."

Section 3

MARKET QUOTATIONS

Farm Products May 31: Grain prices. No.2 red winter Chicago $1.70; Kansas City $1.60 to $1.65; No.2 hard winter (12% protein) Kansas City $1.52½ to $1.58½; No.2 hard winter (not on protein basis) Chicago $1.48¾; Kansas City $1.44½-$1.47; No.3 mixed corn, Chicago $1.03-$1.03¼; Kansas City 95¢-96¢; No.3 yellow corn, Chicago $1.03-$1.04; Kansas City 99¢-$1; No.3 white oats, Chicago 60½¢-65½¢; Kansas City 66½¢-67½¢.

Livestock quotations at Chicago on slaughter steers, good and choice, $13.25-$14.75; cows, good and choice, $9-$11.75; heifers, good and choice, $12.75-$14.25; vealers, good and choice, $13-$16.75; feeder and stocker steers, good and choice, $11.75-$13; heavy weight hogs, medium, good and choice, $9.35-$9.90; light lights, medium to choice, $7.50-$9.75; slaughter pigs, medium, good and choice, $7-$8.25; slaughter lambs, good and choice, $15.75-$17.10.

South Carolina Cobbler potatoes $2.50-$4.25 per cloth top stave barrel in the East. Florida Spaulding Rose $3-$4.25 per double-head barrel in city markets. Maine sacked Green Mountains $1.50-$1.85 per 100 pounds in eastern cities; bulk stock few sales 50¢-60¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.10-$1.20 carlot sales in Chicago; 75¢-80¢ f.o.b. Waupaca. California Salmon Tint cantaloupes $3.25-$4 per standard 45s in city markets; best mostly $1.75 f.o.b. Brawley. Virginia Missionary strawberries 7¢-8¢ per quart in New York City. Maryland various varieties $2.50-$4.50 per 32-quart crate in a few cities; $1.75-$2.50 f.o.b. Pocomoke City.

Closing price of 92 score butter at New York was 43¾¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 24¢; Single Daisies 25¢; Young Americas 25½¢-26¢.

Average price of Middling spot cotton in 10 designated markets was unchanged from May 29, closing at 20.23¢ per lb. July future contracts on the New York Cotton Exchange declined 1 point from the close on May 29 to 20.55¢, and on the New Orleans Cotton Exchange they were down 6 points to 20.32¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 53 Section 1 June 2, 1928.

WELCH BILL AND PROMOTIONS The Washington Post to-day says: "The Welch Act, which increases the salaries of 45,000 Government workers here July 1, will not affect the regular promotions due at that time, according to a survey made yesterday. Personnel officers said they saw no reason why the new salary law should interfere with promotions, and they indicated they would go along recommending promotions just as though the law had never been enacted. About 15,000 employees, who have attained the necessary efficiency ratings are scheduled to receive promotions July 1. In some cases, the promotions carry even larger increases than are provided for them by the Welch Act...."

NATIONAL PARKS SURVEY The press to-day reports that Chairman Nye of the Senate lands committee will head a subcommittee directed by the Senate to visit prospective national park sites in North Dakota, South Dakota and Wyoming. Other members of the committee include Senators Norbeck of South Dakota and Dale of Vermont, Ashurst of Arizona, Kendrick of Wyoming and Bratton of New Mexico. The survey will be made between July 10 and 20 and will include Kildeer and Roosevelt Parks in North Dakota, the Bad Lands in South Dakota and the Teton Range in Wyoming.

NEW YORK POULTRY REGULATIONS The New York Times to-day reports that at a conference of fourteen wholesale poultry dealers at the New York Health Department yesterday a proposed amendment to the Sanitary Code, which would require Federal, State, municipal or other inspection of dressed poultry, was outlined by Health Commissioner Harris. The dealers favored the step in principle, Doctor Harris said, but suggested certain administrative difficulties which the department will consider. Some of the dressed poultry now offered for sale in New York City is unfit for human consumption, according to Doctor Harris.

RADIO NEGOTIATIONS The New York Times to-day says: "The International Telephone and Telegraph Company, which recently completed a $300,000,000 merger with the Postal Telegraph-Commercial Cable Companies, is negotiating to acquire the communications system of the Radio Corporation of America. This was learned yesterday following a meeting of wire company officials in New York. The negotiations are being furthered with a view to establishing a combined radio, telegraph, cable and radio-telephone system covering the Western Hemisphere and equaled only by the cable-and-radio system. If the deal is successful it will mark still another triumph for the Behn brothers, who were unknown here a few years ago, but whose interests rank now with the American Telephone and Telegraph Company and the Western Union Telegraph Company...."

Section 2

Boulder Dam An editorial in The Washington Post June 1 says: "The controversy engendered by the Boulder Dam bill flamed until the very closing hours of Congress, so that the one constructive action taken in this connection was lost sight of. Both the Senate and House approved of the Pittman resolution calling for a general survey of the proposed site of the dam on the Colorado River. Under the terms of the resolution a board of five engineers, including one retired Army officer, is to be appointed by the Secretary of the Interior to study the entire project and report back to Congress by next December. The report to be made ought to do much to clarify the situation with respect to Boulder Dam....The Boulder Dam bill calls for the construction of the largest engineering work ever undertaken. It is proposed not only to bring about flood control, but to create power and provide irrigation. The problem, therefore, is a threefold one, involving many difficulties. The commission that has been authorized will make an impartial study of the technical questions involved. Its report will enable Congress to reach an intelligent decision...."

Farm Conditions An editorial in The Country Gentleman for June says: "Farming seems due for a better year in nearly all its branches. Agricultural prices, particularly of the big staple commodities, are rising. It has been a long time since evidences of better conditions were so well distributed over the agricultural map. Another good omen is the improvement in general business, which now seems out of the slump that set in early last fall. The upturn in farming is coming at a time to take up some of the slack that has developed through the Nation's catching up with the needs of other lines of activity. Without this stimulus business would face the possibility of slowing down again, which would be reflected in unemployment and reduced demand for farm products. Thus the two supplement each other....Conditions have brightened in other respects. Numerous banks in the Middle West report that they have disposed of all or most of their foreclosed farms. Values of good farm lands are firming in various sections. The farm-labor situation is easier, due to a smaller migration to the cities and a larger return from them. While conditions in general are better, there are some distressed areas and crops. It is not probable that there ever can be a year of entirely favorable conditions throughout a country as large as this. Business and industry fare no better in this respect than does farming....It is a safe principle that a fundamental occupation will not remain permanently below the profit line. Those who kept their faith in the oil industry through its recent overproduction difficulties have seen that principle work out. Farming requires a longer time to make the turn than most other lines--but the turn comes. Now, with increasing competition gradually bringing down the prices of manufactured goods, the gap between them and farm products is closing. Farm dollars are worth more this year than last and there should be more of them."

Rubber Trade Uses A London dispatch May 28 says: "Great efforts are being made by influential rubber producers, in view of the abolition of restriction on output in November, to exploit the use of rubber for roadways. Under the auspices of the Rubber Growers' Association, a new company has been formed, called the Universal Rubber Pavers, Ltd., to develop the process of manufacturing rubber blocks. It is limited to Dunlop's process of rubber-block manufacture, which has been found satisfactory for paving in experimental sections laid down in London,

Manchester and other big traffic centers. Most rubber exporters here take the view that the only real and permanent cure for the troubles of the rubber producers is an increase in consumption by the development of fresh uses for the commodity."

Section 3
MARKET QUOTATIONS

Farm Products June 1: Grain prices. No.1 dark northern spring wheat (13% protein) Minneapolis $1.70 to $1.74; No.2 red winter Chicago $1.67½; Kansas City $1.60 to $1.65; No.2 red winter (12½% protein) Kansas City $1.54 to $1.59½; No.2 hard winter (not on protein basis) Chicago $1.49½; Kansas City $1.45 to $1.47; No.3 mixed corn Chicago $1.02 to $1.02½; Minneapolis 97¢ to 98¢; Kansas City 95½¢ to 96½¢; No.3 yellow corn Minneapolis $1.01 to $1.02; Kansas City 99½¢ to $1.00½; No.3 white oats Chicago 62 to 64½¢; Minneapolis 59 7/8 to 61 7/8¢; Kansas City 66½¢ to 67½¢.

Livestock prices: Slaughter cattle, calves and vealers. Steers, good and choice, $13.25 to $14.75; cows, good and choice, $9 to $11.75; heifers, good and choice, $13 to $16; feeder and stocker cattle steers, good and choice, $11.75 to $13; vealers, good and choice, $13 to $16; heavy weight hogs, medium, good and choice, $9.25 to $9.90; light lights, medium to choice, $7.60 to $9.75; slaughter pigs, medium, good and choice, $7 to $8.50 (soft or oily hogs and roasting pigs excluded from above quotations); slaughter sheep and lambs; lambs, good and choice, $15.75 to $17.10.

Texas Yellow Bermuda onions ranged $1-$1.50 per standard crate in consuming centers. California Yellow Bermudas $1.25-$1.60 per crate. South Carolina Cobbler potatoes closed at $2.75-$4 per cloth top barrel in eastern cities. Florida Spaulding Rose $3.50-$4 per double-head barrel in a few cities. Alabama Bliss Triumphs $2-$2.25 sacked per 100 pounds in city markets; $1.50-$1.65 f.o.b. Mobile. Maine sacked Green Mountains $1.60-$1.65 in Pittsburgh; bulk stock 45¢-50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites $1-$1.20 carlot sales in Chicago; 75¢-80¢ f.o.b. Waupaca. California Salmon Tint cantaloupes $3.25-$4 per standard 45s in city markets. Arizona Salmon Tints $4 in New York City. Virginia various varieties strawberries closed at 5¢-10¢ quart basis in the East. Missouri and Arkansas Aromas 9-14¢ per quart.

Wholesale prices of fresh creamery butter at New York were: 92 score, 43¾¢; 91 score, 43¼¢; 90 score, 43¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24¢; Single Daisies, 25 to 25½¢; Young Americas, 26¢.

July future contracts on the New York Cotton Exchange were unchanged at 20.55¢, and on the New Orleans Cotton Exchange they advanced 5 points to 20.37¢. On the Chicago Board of Trade July futures advanced 7 points to 20.45¢. The average price of Middling spot cotton in 10 designated markets advanced 2 points to 20.25¢ per lb. On the same day last season the price stood at 15.78¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 54 Section 1 June 4, 1928.

PRESIDENTIAL BUDGET MEETING President Coolidge and Brig. Gen. Herbert M. Lord, Director of the Budget, will address the fifteenth meeting of the business organization of the Government, to be held June 11 in Memorial Continental Hall, it was announced June 2. The President will give a resume of what has been accomplished during the fiscal year which will end on June 30, and outline his plans for carrying on the work of the budget for the next fiscal year, with a general discussion of certain phases of the Government's business operations. (Press, June 3.)

BUSINESS CONDITIONS The press June 3 reports: "Although considerable irregularity was reported last week in the industrial situation throughout the country, the main trend was toward improvement, based on better distribution in the East and a more generally favorable agricultural outlook. Large production in the automobile industry continued to be one of the outstanding features of the situation....Continued large production of steel also was a feature of the industrial situation....New England continued to report somewhat backward conditions, the consumption of cotton and of wool by the mills in that section being the smallest in almost two years....Southern agricultural products are moving to the eastern markets in quantity, and investment funds in that district are increasing. Most of the principal middle western centers reported fairly active trade...."

NEW YORK MILK PROBLEMS The New York Times of June 3 reports that the discovery of the adulteration of certain brands of chocolate-coated ice cream products and of the use of swamp and drainage water in washing utensils and milk cans at up State dairies was announced Saturday by Commissioner Harris at the Health Department. The Health Department, Doctor Harris said, has placed an embargo on 6,000 pounds of chocolate that was intended to be used as chocolate coating for ice cream. This action was taken after it was discovered that coconut oil--which is also used in the adulteration of cream--was present in all of the chocolate. The substitution is a violation of the Sanitary Code.

FARM LIFE STUDY PLAN The New York Times of June 3 says: "A project for an Institute of Rural Affairs is being put forward at Columbia University, New York. It is said to be the first time that organized and scientific research into the social, economic and financial aspect of rural life and its relation to the Nation has been undertaken in the United States. Nicholas Murray Butler, president of Columbia, at whose instigation the plan of the Institute of Rural Affairs has been developed, hopes that it will open this fall. 'We need money,' he says, '$50,000 to $60,000 a year, and we shall get it, I know. There is a big need for such an institute, and the time is ripe to create it.'...."

Section 2

Agricultural Insurance

An editorial in Pennsylvania Farmer for June 2 says: "One of the subjects to be considered at the coming annual meeting of the American Country Life Commission at Urbana, Illinois, is 'How Can the Insurance Companies and Agricultural Groups Cooperate to More Effectively Cover the Hazards of the Farming Business?' Economists, bankers, insurance men and farmers have been asked to discuss the question. We have reached a point in business development where this subject is an important one. Farming has become a real business with financial responsibilities and obligations. Expenses are heavy, taxes must be paid and business obligations met. Every calculating farmer knows a year ahead about what amount of money will be required to meet these expenses, and he must meet them regardless of the catastrophies and failures which may come during the year. It is high time men of knowledge and ability should get together and work out a basis for crop and price insurance at reasonable rates."

Armour Buys Dairy Stations

A Coon Rapids, Iowa, dispatch June 2 says: "Armour & Co. completed another expansion in Iowa June 1, when the holdings of Jens Jensen, one of the largest independent creamery and produce dealers in Iowa, were purchased. The purchase includes the head station at Coon Rapids, branch houses in Perry, Manilla, Yale, Bayard, Bagley and Grand Junction and substations in thirty-five other Iowa towns. The price was not made public. The new owners will take possession July 1. The company plans to build a poultry dressing house and will later add a cheese factory. The Coon Rapids Creamery last year produced more than 1,750,000 pounds of butter."

Boys and Girls Club Work

An editorial in The Illinois Farmer for June 1 says: "The farm boy or girl who is not aligned with some group in 4-H Club work decidedly is being left out of the heritage which experience has developed for present-day youngsters. The most valuable lessons of their entire lives may be lost to your children if you let them miss the privilege of club membership and work. Where is the county or community where club leadership and membership are not available? Are your children interested? Are you helping them to become interested? There are club activities to suit the temperament and natural tendency of most every farm boy and girl. The value of association and cooperation and competition in group under trained leadership lies not alone in the increased efficiency in farm practice, great though this is. Equal value, likely much larger value even, in their long pull through life, will be derived from the spirit of cooperation through competition, the understanding and the idealization of fair play, the development of poise and of good fellowship which gives the club boy and girl such charm as a winner and such good sportsmanship as a loser, which helps them see all the way around a problem, be it of farm practice or of the intricate ethics of youth. You are cheating your farm children if you fail to help them along the 4-H way."

Business Failures

Commercial failures in the United States for May showed an increase in number compared with April or with May a year ago, but the amount involved in the insolvencies decreased from the totals then shown. Failures for the month reported to Bradstreet's totaled 1,748, an increase of 4.5 per cent over April and of 8 per cent above May a year ago. Liabilities for May totaled $36,636,551, a decrease of 10 per cent from April and of 8 per cent from May a year ago. The

South and Northwest reported fewer failures than a year ago. The failures for the first five months of the year totaled 9,483, with liabilities of $235,755,848, an increase of 2.6 in failures but a decrease of 30 per cent in liabilities from a year ago. (Press, June 2.)

College Agricultural Courses

An editorial in Pennsylvania Farmer for June 2 says: "There are many young farmers anxious to take a college course in some branch of agriculture who have given up their ambitions in that direction because they can not see their way around certain obstacles. Perhaps they are not high school graduates; perhaps they feel that four years is longer than they can spend on additional schooling. The two-year courses in agriculture at the Pennsylvania State College offer a remarkable opportunity to such young men and women. Anyone over 18 years may enroll if he satisfies the college authorities that he can carry the work profitably; high school training is not demanded as an entrance requirement; there is no tuition charge to Pennsylvania students and other costs are low. The two-year students enjoy all the advantages and privileges offered in the regular four-year courses. They use the same equipment and in many cases attend classes with the four-year men. The ambitious two-year student is able to acquire about as much practical training in the science of farming as the man who spends four years in college in order to profit by a broader course with more cultural subjects. The two-year course permits specialization in any branch of agriculture; it is the ideal course for those who want to learn in a short time as much as possible of the practical side of scientific agriculture."

Foreign Relations

An editorial in The Wall Street Journal for June 2 says: "In his Memorial Day address at Gettysburg President Coolidge made a two-sentence statement that sounds almost like Monroe Doctrine applies to world affairs. It is this: 'The world-wide interests of the United States, aside from the dictates of humanity, make us view with peculiar disfavor not only any danger of being involved in war ourselves, but any danger of war among other nations. Our investments and trade relations are such that it is almost impossible to conceive of any conflict anywhere on earth which would not affect us injuriously.' It can not be said that this is a new thought or discovery, but the President has made a concrete statement of the fact and laid it down almost as a national policy. Probably the fact is realized but not fully comprehended, how great our interest is in world peace aside from the dictates of humanity which seem to be forgotten in any people the moment the war passions are aroused....Economic and financial forces, irresistible in their might, have forced us into the affairs of the world whether we would have it so or not. We are there, and are finding it much to our advantage to be there, but it remained to the President in about fifty words to show the extent of our interest in world affairs....We now have a foreign trade that reaches into every part of the world and, in the year 1927 amounted to over $9,000,000,000 for merchandise and over $400,000,000 gold movements. This business may be roughly divided into export and import, both of which are vital to the prosperity, happiness and contentment of the people. That is one business reason why we would look with disfavor upon war in any part of the world. Another is our investment abroad. Calculations of our private investments abroad must necessarily be approximations which leave room for considerable divergence, but the

Department of Commerce says they range from $11,500,000,000 to $13,500,000,000, exclusive of the Government war loans. One does not need banking experience to realize that he who loans money is directly interested in the borrower, and, as our loans and our trade encircle the globe, foreign happenings will keenly affect our welfare. We are completely out of the shell of isolation, and so great are our foreign interests that in the future we must look upon war in any part of the world as inimical to our interests."

Potato Shipments New York in 1927 received more potatoes than any other city, 21,822 carloads, according to figures given out by the committee on public relations of the eastern railroads. Chicago was second with 15,360 carloads; Philadelphia third with 7,736; Boston fourth with 7,533 and Los Angeles fifth with 5,227 carloads. Carload shipments of white potatoes in the United States amounted to 251,211 cars, which was approximately 7,200 above the annual average for the five-year period ending with 1927, according to a study of the industry and the relationship of prices to transportation costs just completed by the Bureau of Railway Economics. Of the forty-eight States, Maine shipped more white potatoes than any other. Shipments from that State amounted to 41,751 cars, or about 17 per cent of the United States total. The other principal potato-producing States in the order of importance and the number of carloads shipped in 1927 follow: Minnesota, 31,394; Virginia, 23,650; Idaho, 16,934; Wisconsin, 16,685; Colorado, 15,313; New York, 12,535; and Michigan, 10,535.

Rubber Institute Meeting The press of June 2 reports: "About 50 per cent of the rubber manufacturing industry of this country was represented June 1 at New York at the opening meeting of the Rubber Institute, the purpose of which, according to the announcement made a week ago, is to place the industry upon a sound economic basis. General Lincoln C. Andrews, who has been engaged to head the industry as director general, presided over the meeting. About 75 per cent of those present subscribed to the organization declaration of the institute, making the present membership total forty-two. A number of those who withdrew without joining, it was said, did so either because they had not the authority to act for their respective companies in the matter or because they wished more time in which to think over the proposition. Fifteen directors were elected by the institute, divided into three classes. The first of these, composed of representatives of companies having annual sales of over $50,000,000, includes H. S. Firestone, president of the Firestone Tire & Rubber Co.; H.T.Dunn, president of Fisk Rubber Co.; P.W.Litchfield, president of Goodyear Tire & Rubber Co.; C. B. Seger, president of United States Rubber Co., and J. D. Dow, president of B. F. Goodrich Co. The second class of directors represent companies with annual sales valued from $10,000,000 to $50,000,000...."

Texas Dairy Show Farm and Ranch for May 26 says: "The State Fair of Texas will be the scene for the first annual southwestern dairy show. Officials of the Southwestern Dairy Association have been notified that facilities for staging the show will be in readiness in ample time, and that plans were under way for the erection of permanent buildings that in style of architecture would grace any exposition grounds in the country. Dairying in the Southwest has assumed such importance that an annual show should become a factor in the development of the industry along safe lines..."

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 55 Section 1 June 5, 1928.

MUSCLE SHOALS BILL The press to-day reports: "President Coolidge is expected to permit the Muscle Shoals bill to be vetoed by failure to act upon it by next Thursday night. Under the law, if he does not sign a bill within ten days after the adjournment of Congress, it receives a 'pocket veto.' Those who have seen the President recently have come away with the impression that the President is going to follow this course...."

WELCH SALARY ACT The Washington Post to-day says: "All doubt concerning the administration of the Welch Act was removed yesterday when Comptroller General McCarl issued instructions as to how the salary raises provided in the act are to be applied. The McCarl decision was greeted with joy by some 35,000 of the lower-paid Government employees, but there were about 10,000 who read it with keen disappointment. The decision means that the employees near the bottom of the various grades will get two promotional jumps, while the one in the middle and those from the middle to the top will get only one. In most grades, this means that employees at the bottom of the grade will receive a $120 raise, while those at the top will receive only a $60 raise. ...Two important features in McCarl's regulations had to do with the time the raises are to become effective and with the so-called split grades in the act. He ruled that employees are to receive their increases beginning July 15, and that the deficiency thus caused in the appropriation is to be made up at the next session of Congress...."

THE STOCK MARKET The New York Times to-day says: "With call loans commanding 7 per cent interest for the first time in seven years, Wall Street witnessed yesterday a money scare that precipitated a heavy selling movement on the New York Stock Exchange. Stocks in all departments of the market broke widely, with Radio Corporation taking a nosedive that left it 26 points below the closing level of Saturday. Other active issues sold off from 2 to 7 points. As measured by The New York Times averages, the break was the sharpest since June 14, 1927. Fifty representative stocks yesterday showed an average decline of $3.16. The averages covering twenty-five representative industrial issues showed a net loss of $4.83. Yesterday was the first 4,000,000-share day since May 18, the day's turnover being 4,107,810 shares...."

RADIO CORPORATION DENIES SALE REPORTS The Associated Press to-day reports from New York: "A denial by David Sarnoff, vice president and general manager of the Radio Corporation of America, that the concern was negotiating with the International Telephone & Telegraph Co. for the sale of its communications business was issued at the office of the corporation yesterday...."

Section 2

Canadian Wheat Pool Conference

A Saskatoon, Canada, dispatch to the press of June 3 says: "Plans already half formed to bring about international cooperation in wheat marketing may be pushed a bit further in Western Canada next week. The third world wheat pool conference is to be held on June 5, 6 and 7 in Regina, the capital of Saskatchewan, the Dominion's chief grain-producing Province. The operators of American State pools and the United States Department of Agriculture will be represented, several Russian delegates are expected, and from Australia will come officers of the Victoria and South Australia wheat pools. The consumer will be in the picture, represented by the spokesman of the English and Scottish Cooperative Wholesale Societies. Sir Thomas Allen will represent the British Empire Marketing Board. The Chairman of the conference is to be Colin H. Burnell of Winnipeg, president of the Manitoba wheat pool...."

Cooperative Publicity

An editorial in The Idaho Farmer for May 31 says: "Though the middlemen intended it as a knockout blow to cooperative marketing, it is doubtful if any equivalent investment has been more effective for the good of the cooperative cause than the 'million dollar' war fund the middlemen undertook to raise when they organized the anti-cooperative Federated Agricultural Trades of America last November. Leaders in the cooperative movement have long known that the enemies of farmer-marketing were lying in ambush, pot-shotting the producers' efforts to solve the marketing problems, but it was not until they came out into the open and admitted their nefarious purpose that the farmers as a whole realized that a real war was on and that the only way it could be won for agriculture was through increased development of cooperation and unflinching loyalty on the part of cooperators. Here and there cooperative associations are reporting to The Farmer marked increase in the interest of members and many voluntary applications for membership from farmers who have heretofore looked upon cooperation with uncertainty. The manager of the largest cooperative poultry association in the Pacific Northwest says: 'There has been a noticeable strengthening of the morale in our membership during the last few months. We believe this is partly a direct result of the publicity about the Chicago meeting of the Federated Agricultural Trades of America.'...It is interesting to note in this connection that two movements of nation-wide scope have been announced as part of the fight in behalf of the farmer. The calling of a great meeting of cooperators for Chicago on June 1 was previously announced, but this meeting has been postponed until fall in order to give the American Institute of Cooperation an opportunity to train its guns upon the enemy and spread the gospel of self-protection. This institute, which meets in Berkeley, California, the latter half of July, with a tour of Oregon and Washington cooperatives the first week in August, has set aside a place on its program the third week of its session for consideration of the anti-cooperative movement of the F. A. T. of A. The general program of the institute, plus this additional feature, will lay well the ground for the meeting in Chicago, probably in September, when every district in the United States should be represented by a strong delegation of true cooperators...."

Farm Organizations "The Farmer Hires a Salesman" is the title of an extensive article by Earl Reeves in American Review of Reviews for June, in which the author describes the methods of operation of some of the big farm cooperatives, and tells of the men who head them. He says in part: "A most amazing thing is happening in America. It is something that touches your pocketbook, the food you eat, the clothing you wear, and the tobacco I would be smoking had I not sworn off. Yet in newspapers it appears only as an uninteresting mass of incomprehensible words....The farmer has a new hired hand. He has, in fact, a great many of them. He is learning to hire brains, to go into the open market for them as does any industrial or commercial corporation. ...I know of a body of organized farmers to-day who pay out $100,000 a year for six hired hands--each an expert who works at and thinks about how to sell advantageously not on one, but on 365 days of the year....But a new day has come, surely, when the farmer can learn to sit down, understand, and approve a game played on that basis. Not that farmers as a class are not intelligent; but, since the beginning of time--which is as long as you want to make it--farmers of every nation and of every race have been thinking of selling on about one day a year....The farmer who was once 'the man with a hoe'; who later borrowed a trick from industry, turning the soil with power-engines; and who now has snatched sheets from the business-man's ledger, has organized twelve thousand cooperative sales companies. These twelve thousand marketing concerns last year sold us two billion, four hundred million dollars' worth of farm produce. As it happened, this article opened with reference to cotton and tobacco, both southern products; but the movement is not restricted to any one or two localities. When you examine the State ranking to see where the farmer's new hired hand is most active, you discover that (in the dollars-of-total-business score) Minnesota is first, California second, Illinois third, and Iowa ranks fourth....From California the cooperative has marched eastward. Its greatest strides have been made recently, in the last two or three years. King Cotton 'organized' only five years ago, and yet so great has been its recent growth under the new system that the ledger shows almost six hundred million dollars' worth sold across the counter to us in that period. The Burley Tobacco organization also is a five-year-old....Generally speaking, during a half century or more, our farmers have earned only wages by working the soil. They have 'made money,' in the sense of increasing their capital, only through the increased value of their land. And millions are close to bankruptcy. We know that when their crop is harvested they must rush it to the nearest market, because by that time their need for money is acute. They turn their golden grain into figures in a bank-book at the worst possible time for making the exchange. This is what is called distress selling, and it gets the farmer a distressingly low price....Since some farmers belong to more than one organization, some allowance must be made for duplication; but it would appear that nearly one-third of the farms of the United States already are selling through cooperative marketing agencies...The old-fashioned farm killed off a wife or two by sheer drudgery, and was apt to make the husband a broken old man at fifty. Machinery has lifted the physical load somewhat these last few years. But the load upon the spirit was as heavy as ever. The farmer still knew that he was only making 'wages', and he still watched his wife grow old with anxiety before her time. Through cooperation, say the prophets of the new order, the farmer will come into his own."

Farmer Motor Vehicles

A Minneapolis dispatch June 3 says: "Motor vehicle registrations in the Ninth District show a 2 per cent gain over a year ago, while truck registrations have increased 17 per cent. Most of the increase was due to heavier buying of motor vehicles by farmers. The number of passenger cars owned on farms in the district increased 14 per cent over the same period last year. Farmers now own 43 per cent of all the passenger cars in the Northwest, compared with 38 per cent a year ago."

Paish on Credit and Prosperity

Sir George Paish writes under the title, "Remove Artificial Credit Barriers," in The Magazine of Wall Street for June 2. He outlines the banking systems of various countries, and declares these systems are no stronger than their weakest link. He says in part: "The unprecedented well being of nations in modern times has resulted chiefly from three main causes. These are, first, the tremendous strides taken in regard to the invention of power-driven machinery which has altered the entire method of manufacturing and has revolutionized the modern state; second, the application of the machine to transportation which has made it possible to bring goods from producer to consumer in a very brief period and which in itself is partly responsible for the colossal growth of industry in recent decades; and third, the creation of the modern banking and credit system which has facilitated the production and consumption of goods and their distribution. Any one of these causes alone would have had only a limited effect upon the progress of the world but their combined influence has completely changed economic conditions. The introduction of machinery naturally removed formidable obstacles to mass production and by creating wholesale wealth affected great economies relative to output. The building of great railways and roads and the construction of steamships destroyed the physical obstacles to national and international communication thus opening up the entire world, even in the most remote places, to settlement. Production and trade followed on an enormously increasing scale thus permitting wealth to be developed and distributed on a new basis where magnitude reached a point undreamed of even by the most sanguine. But it remained for the creation of a comprehensive credit system to render practicable the application of the constantly increasing series of inventions to industry and transit and overcame the obstacles to national and international development...."

Russian Agriculture

An Associated Press dispatch June 3 from Moscow says: "Under a Government ruling necessitated by the shortage of wheat available for export, Moscow bakeries will sell semi-dark bread only. Wheat flour is no longer sold to the public. Joseph Stalin, chairman of the Communist Party, said regarding the difficulties faced by Soviet Russia in the grain situation, that it was not due alone to the incompetence of officials in charge. Despite the fact that the grain crop this year reached pre-war figures, Soviet Russia's production of marketable grain fell to half its pre-revolutionary figures and the Russian grain export is only one-twentieth of that before the war. All this, Stalin believes, results from the passing of the estates of large land-owners and the farms of wealthy peasants, which before the revolution produced the bulk of Russia's grain exports. The Communist leader said that the remedy was in the intensive organization of collective farm units, which must take the place of the old large estates. Available figures show that collective Soviet farms already produce 47 per cent of marketable grain, while the small individual farms yield only 11 per cent of grain fit for the market."

Section 3
MARKET QUOTATIONS

Farm Products June 4: Slaughter cattle, calves and vealers; Steers, good and choice, $13.25 to $14.65; cows, good and choice, $9 to $11.75; heifers, good and choice, $13 to $14.25; vealers, good and choice, $12 to $15.50; feeder and stocker cattle steers, good and choice, $11.75 to $13; heavy weight hogs, medium, good and choice, $9.25 to $9.95; light lights, medium to choice, $7.60 to $9.70; slaughter pigs, medium, good and choice, $7.25 to $8.50 (Soft or oily hogs and roasting pigs excluded from above quotations); slaughter sheep and lambs; Lambs, good and choice, $17.50 to $19.35.

Grain prices quoted: No.1 dark northern spring wheat (13% protein) Minneapolis $1.66¾ to $1.71¾; No.2 red winter Chicago $1.70; Kansas City $1.62 to $1.67; No.2 red winter (12½% protein) Kansas City $1.56 to $1.61½; No.2 hard winter (not on protein basis) Chicago $1.51¾ to $1.54; Kansas City $1.47 to $1.49; No.3 mixed corn Chicago $1.05; Minneapolis 98¢ to 99¢; Kansas City 98¢ to 99¢; No.3 yellow corn Chicago $1.06 to $1.07; Minneapolis $1.02 to $1.03; Kansas City $1.03 to $1.04; No.3 white oats Chicago 66½¢ to 71½¢; Minneapolis 63¢ to 64½¢; Kansas City 68½¢ to 69½¢.

South Carolina Cobbler potatoes sold at $2.75-$3.75 per cloth-top barrel in eastern city markets. Florida Spaulding Rose brought mostly $3.25 to $3.75 per barrel in the East. Alabama, Louisiana and Texas sacked Bliss Triumphs $2.15-$2.35 per 100 pounds on the Chicago carlot market. Florida Tom Watson watermelons, 24-30 pound average, sold at $440-$940 bulk per car at auction in New York City; 24-26 pound stock $400-$600 f.o.b. Leesburg. California Salmon Tint cantaloupes ranged $3-$4 per standard 45 in terminal markets; $1.50-$2.10 f.o.b. Brawley. Maryland, Delaware and Virginia various varieties of strawberries sold at 7¢ to 14¢ quart basis in eastern cities. Arkansas, Missouri and Kentucky Aromas mostly $2.75 per 24-quart crate in Chicago.

Wholesale prices of fresh creamery butter at New York were: 92 score, 43½¢; 91 score, 43¼¢; 90 score, 43¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24 to 24½¢; Single Daisies, 25 to 25½¢; Young Americas, 26¢.

July future contracts on the New York Cotton Exchange advanced 20 points to 20.82¢, and on the New Orleans Cotton Exchange they advanced 26 points to 20.73¢. On the Chicago Board of Trade July futures advanced 33 points to 20.83¢. Average price of Middling spot cotton in 9 designated markets advanced 19 points to 20.49¢ per lb. On the same day last year the price stood at 15.61¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 56 Section 1 June 6, 1928.

GRAIN FUTURES ACT A Chicago dispatch to-day reports: "Attorneys for the Bartlett-Frazier Company yesterday began their attack in the Chicago Federal court upon provisions of the Grain Futures Act of 1922 which permit Government agents to inspect reports and books of grain-trading companies. The company asked that Secretary Jardine; L. A. Fitz, grain exchange supervisor of the Chicago district; the Chicago Board of Trade and George E. Q. Johnson, District Attorney, be enjoined from enforcing these provisions. It contends opening the records to agents constitutes undue and illegal interference with business. Secretary Jardine was eliminated as a party to the suit, the Government arguing that he was a resident of the District of Columbia and not subject to this jurisdiction. Defendants were allowed twenty days to file an answer. By agreement, pending the outcome the Government was restrained from examining the books of the Bartlett-Frazier Company."

COTTON EXCHANGE HEAD Gardiner H. Miller, a member of the firm of Hopkins, Dwight & Co., was elected president of the New York Cotton Exchange at the annual meeting yesterday, succeeding Samuel T. Hubbard, jr., who held office for two years. John H. McFadden, jr., was elected vice president and James F. Maury reelected treasurer for the twenty-first consecutive year. (Press, June 6.)

FRENCH LIVESTOCK STATISTICS A Paris dispatch to the press to-day reports that animal statistics just published by the French Department of Agriculture show that for the first time since the war, the number of cattle in France in 1927 exceeded the pre-war figure. The number of horses, sheep, and pigs, however, is still far below the pre-war figures. The report shows that in France in 1927 there were 14,940,960 head of cattle against 14,787,710 in 1913. The number of horses and mules in 1927 is given as 2,927,230 against 3,220,-080 for 1913; sheep 10,693,120 against 16,131,390 for 1913 (not including Alsace and Lorraine); pigs, 6,019,450 in 1927 against 7,035,850 in 1913. When it is considered that the 1927 figures include Alsace and Lorraine, France still is far poorer in livestock than she was before the war.

HAVANA TOBACCO A Havana dispatch to-day says: "Half of the Havana tobacco crop is in storage in the rural districts near here pending a solution of the conflict between the planters and the buyers regarding the amount of the profits the buyers should receive for handling the leaf. Financial stress is being put on them by the banks, the planters claim, to oblige them to sell on the buyers' terms. The planters' committee has applied to President Machado for Government aid in order to hold out against the middlemen. Representative Guas declared that he would shortly present a bill to Congress, authorizing the national Treasury to loan money to planters, the financing of plantings and the harvest, making them independent of speculators who acquire tobacco at prices which barely cover the cost of production...."

Section 2

Canadian Farm Problems

An editorial in Ontario Farmer for June 1 says: "...Agriculture in the United States is voicing its feelings more and more strongly than ever before, and it is significant that influential writers in the city press are taking a sympathetic viewpoint of its demands. Farming in Canada is generally regarded as being in a far sounder position than across the line, but the income of the Canadian farmer for all of that does not balance services rendered. But agriculture is lost whenever its spokesmen attempt to present facts before public bodies. The manufacturer pleading for protection or the public utility asking for increased service rates is able to submit definite figures of costs of production or of operation. Agriculture, of all the industries, has the poorest collection of figures relating to its operation. A few years ago there was absolutely nothing available that could be termed accurate. Of late years several agricultural colleges and the departments of agriculture of the Dominion Government and the various provinces started in to compile cost of production figures. Some of these bodies are still carrying on with this important work, but others have been forced to discontinue....It is just because this work is all-important that successful industries carry high-priced departments to collect and analyze production costs. It is just as essential that farmers have full and accurate figures to produce when agriculture appears before commission or board to plead for fair prices or fair protection...."

Cooperative Withdrawal Option

An editorial in Southern Cultivator for June 1 says: "Here's news! The Georgia Cotton Growers' Cooperative Association, at its recent annual meeting, let down the bars so that dissatisfied members may withdraw from the pool, if they wish, instead of being held irrevocably by the iron-bound contract for five years, as formerly. Hereafter, it is announced, any member may cancel his agreement with the association during any year, provided he shall notify the association of his intention, in writing by registered mail, between April 1 and May 1 of the year of his withdrawal. It remains to be seen how this new provision will operate, but we believe that it will prove of great benefit to the association. Heretofore, many farmers, although believing whole-heartedly in cooperative marketing, have refused to sign the five-year unbreakable contract to market all of their crop through the co-up, under severe penalties, either because they would not take a step that they could not retrace if they found they had made a mistake, or because they feared they might at some future time be placed in the position of not being able to market through the co-op. Now, no farmer who believes in the principles of cooperative marketing and in the present organization can longer hesitate to identify himself with it; he is assured that if for any reason he wishes to withdraw he may do so by giving proper notice between April 1 and May 1. Quite properly, when a member withdraws the association wants to know why he is quitting. For it is recognized that members may have just grievance against association management and only a statement of those grievances would result in their recognition and correction. We believe the association has made an important move in strengthening its position and inspiring new confidence among large number of farmers who have not yet seen fit to align themselves with it."

Federal Land Banks

An editorial in The Progressive Farmer for June 2 says: "Judge Gossett of the Federal land bank at Houston regrets the prevalence of the idea that Federal land banks should be administered by farmer-minded men, because he feels that the important thing in the administration of Federal land banks is to create and preserve their financial credit. The Progressive Farmer can think of no good reason why a man should not be farmer or at least farm-minded and yet have sufficient business acumen to handle the affairs of the farm loan banks satisfactorily. Certainly these banks must be in the hands of capable and efficient administrators, but since the land banks were established to serve farmers and since farmers own the stock behind them, it is very essential that farm-minded men of good business judgment be placed in charge. To administer the affairs of these banks to the farmer's best interests, there must be a sympathetic understanding of farmers' problems. Unless one is farm-minded, he can't know and appreciate the farmers' problems. "

Reserve Board On Credit

The Federal Reserve Board June 4, after the close of the New York Stock Exchange, made public a statement which was interpreted as expressing concern in regard to the credit situation, because of the unprecedented speculative activity in the security markets and the almost uninterrupted increase in brokers' loans, which now are well above $4,000,000,000, in disregard of advancing money rates. Attention was called by the board to the fact that, since February, the total volume of credit extended by reporting member banks had increased by nearly $1,000,000,000, and the declaration was made that unless a [illegible] change occurred in the direction of gold movements, or in the open market policy of the Federal Reserve System, the only means by which member banks will be able to reduce their debt at the reserve banks "is a sale of investments or a gradual contraction of their loan account." (Press, June 5.)

Sapiro on Agriculture

A Doylestown, Pa., dispatch June 4 reports: "Declaring that politics and politicians never would be able to help better the agricultural situation in this country, Aaron Sapiro, in an address at the Founder's Day ceremonies at the National Farm School near Doylestown, June 2 urged the relief of farmers through the introduction of business methods and the adjusting of the system of individual production into the plan of group production of the rest of the world. He called for leaders educated in economics and rural credits as well as in the fundamentals of production to go out among the farmers and help show them the way 'to solve their problems with their own hands.' ..."

Sugar Research

An editorial in Facts About Sugar for May 26 says: "...That the consumption of sugar in the United States, or any other highly developed country, can be largely increased by intelligent and well directed advertising we have not the least doubt, but to realize the best results from such an undertaking we believe that it should embrace all the activities comprised within the scope of the modern science of advertising, including scientific research, industrial and market research, educational propaganda and esthetic appeal...We strongly suspect that careful study will disclose great variations among different classes of the population and in different sections in this respect, and perhaps will indicate directions in which special educational effort may be expended to good advantage."

Tariff Revision

An editorial in Ohio Stockman and Farmer for May 26 says: "Representatives of agricultural cooperative associations recently met at Washington to study tariffs on agricultural products. The result is an appeal to Congress for a general upward revision of tariffs on 'all commodities coming into either direct or indirect competition with products produced on farms of the United States.' Tariffs are demanded also on a few articles now on the free list, such as hides, oil-bearing seeds and certain products of the Philippines. The movement has started too late to get anywhere at the present session of Congress, but it will survive until the next. As long as a protective tariff is the accepted policy of the country agriculture should have its share of the same, but further discussion will reveal differences of opinion as to some of the items in the long list submitted by the conference. For instance, do farmers want a tariff on hides? They have never agreed on this point and are not likely to agree. There will be a division also in regard to higher duty on light cattle, stockers and feeders. Many feeders of this country believe that the cattle growers are sufficiently protected now. Revisions of the tariff on farm products is evidently a more complex and difficult problem than the conference has realized. Its discussion may result in more than changes in agricultural schedules. Equalization by reduction of tariffs on other than farm products is bound to come into the case sometime."

Tobacco Dividend Distribution

A New York dispatch to-day states that George J. Whelan, president of the Union Tobacco Co., yesterday announced a plan for distributing a stock dividend of approximately $7,500,000 among the company's jobbers and retailers. The report says: "Whelan said that the decision to distribute the stock was made in answer to a plea from the joint committee of tobacco retailers and jobbers for a living margin of profit. The dividend made available is 300,000 shares, which at the present market price of about $25 a share amounts to $7,500,000."

Wasteful Distribution

An editorial in The Country Gentleman for June says: " 'The wastefulness of our distribution system is beyond question the gravest issue before the industrial and commercial community of this country,' declared Dr. Julius Klein recently. As director of the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce, he is in a good position to view the complicated machinery of business.....He estimates the Nation's losses from inefficient distribution to approximate eight billion dollars annually. This is a tax on every one of us from which there is no resulting benefit. It affects the farmer in two ways. As a buyer he must pay whatever costs are added by waste and lost motion along the route to him. As a seller his products must bear all charges added by wasteful distribution processes before they reach the final consumer. Every now and then some item revealing this heavy distributing toll comes into the light. One such is a recent survey of commission and jobbing costs in the handling of fresh fruits and vegetables on the New York City market. It shows that costs of distribution in the metropolitan district, exclusive of salaries or profits, accounted for 7.76 per cent of the gross sales price received by commission dealers. And the jobbers, who carry the product on another step, charged up 9.98 per cent of their gross sales price to distributing costs, again exclusive of salaries or profits. How much more was added by the retailing and serving processes that came next can only be imagined. The survey shows apparently nobody making undue profits; in fact, these were a small matter compared to the supplementary costs of distribution. In

capacity and economy of production this country is the wonder of the world, and it is still going ahead. But to an unrealized degree this advance in productive power is slowed down and its economies nullified by the lagging system for distributing its output. As long as our national progress is impeded by this lame horse in the team, everything is going to cost more than it should and few will make the profits that are rightly due. More than anything else, the distributing system needs the renovating and intensifying impact of the analyst and the engineer, neither of whom has been utilized by distribution as they have been by the forces of production...."

Section 3

MARKET QUOTATIONS

Farm Products June 5: Livestock quotations at Chicago on slaughter steers (1100-1500 lbs.) good and choice $13.40-14.75; cows, good and choice $9-11.75; heifers (850 lbs. down) good and choice $13-14.50; vealers, good and choice $12-15.50; feeder and stocker steers, good and choice $11.75-13. Heavy weight hogs (250-350 lbs.) medium, good and choice $9.35-10; light lights (130-160 lbs.) medium to choice $7.60-9.60; slaughter pigs (90-130 lbs.) medium, good and choice $7.25-8.40. Slaughter lambs, good and choice (84 lbs. down) $17.50-19.10.

South Carolina Cobbler potatoes $3-3.75 per stave and slat barrel in the East. Florida Spaulding Rose $3.50-4 per double-head barrel in city markets. Maine sacked Green Mountains $1-1.45 per 100 pounds in a few cities; bulk stock 45¢-50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.10-1.25 carlot sales in Chicago; mostly 75¢-85¢ f.o.b. Stevens-Point, Waupaca. Texas Yellow Bermuda onions $1-1.50 per standard crate in consuming centers. California Yellow Bermudas$1.10-1.65 in city markets. Maryland, East Shore various varieties of strawberries ranged 8¢-11¢ per quart in New York and Boston; Premiers $1.75-2.25 f.o.b. Pocomoke City. Kentucky Aromas 8¢-11¢ in New York City. California Salmon Tint cantaloupes $3-3.75 per standard 45 in city markets; mostly $1.50 f.o.b. Brawley, California.

Closing price of 92 score butter at New York was 44¢. Closing prices of No. 1 fresh American cheese at New York were: Flats 24-25¢; Single Daisies 25½¢; Young Americas 26¢.

Average price of Middling spot cotton in 10 designated markets declined 14 points to 20.35¢ per lb. July future contracts to-day on the New York Cotton Exchange declined 16 points to 20.66¢, and on the New Orleans Cotton Exchange they were down 25 points at 20.48¢. On the Chicago Board of Trade July futures declined 23 points to 20.60¢.

Grain prices quoted: No. 1 dark northern spring wheat, 13% protein, at Minneapolis $1.67¾-1.71¾. No. 2 red winter, Chicago $1.67; Kansas City $1.58-1.64. No. 2 hard winter (not on protein basis) at Chicago $1.50; Kansas City $1.45-1.47; No. 3 mixed corn, Chicago $1.05½; Minneapolis 97-98¢; Kansas City 97-98¢. No. 3 yellow corn, Chicago $1.06-1.07; Minneapolis $1.01-1.02; Kansas City $1.02-1.03. No. 3 white oats, Chicago 69-69½¢; Minneapolis 61¼¢-62¾¢; Kansas City 67-69¢. (Prepared by Bu. of Agr. Econ.).

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 57 Section 1 June 7, 1928.

FEDERAL APPROPRIATIONS ..... The press to-day reports that appropriations made by the session of Congress just closed to meet expenses of the Government during the next fiscal year showed a net increase of $238,542,508 over appropriations voted by Congress last year. A detailed report of the appropriations, made public yesterday by Chairman Warren, of the Senate appropriations committee, recorded the total of funds voted at this session as $4,628,045,035.09. This compares with $4,149,502,526.65 appropriated by Congress a year ago. However, of this year's appropriations, $120,000,000 was in the first deficiency bill which carried funds to meet governmental expenses during the last year that Congress failed to appropriate when the deficiency bill of the 1927 session was lost. This change made the net increase accounted for by Senator Warren. The report says: "The veteran Senate committee chairman in his report called attention to the fact that Congress at this session, as in the past, appropriated less than was proposed by the Budget Bureau, showing a reduction of the budget estimates of $9,331,779 for this session. During the last seven years the appropriations have been $368,525,211 less than the budget estimates, he added..."

FARM BOARD REPORT The bottom of depression in farm values has passed, the Federal Farm Loan Board declared yesterday in its annual report. "Indications are seen of a turn in the tide, and farm values are gradually improving," the report said. While admitting that some of the farm banks had been mismanaged, with the result that three of them were thrown into the hands of receivers during last year, the board said that the farm loan system had demonstrated its soundness and usefulness. Declaring that the farm banks had nearly $2,500,000,000 in loans outstanding on December 31, the board declared that under the improved management of Eugene Meyer the system was expected to become more useful to the farming communities. The entire bureau virtually has been reorganized, the report said, and special steps have been taken to reflect actual conditions in the reports of the banks to board and the public.(Press, June 7.)

JERSEY CUP AWARD The press to-day reports that the President's Cup, awarded annually to the owner of the Jersey cow showing the best production of butterfat during the year, was presented yesterday at the annual meeting of the American Jersey Cattle Club at New York to R.L.Shuford of Newtown, N.C., owner of Red Lady, which produced 1,028 pounds of butterfat in 360 days. The report states that Samuel F. Crabbe of Fargo, N.Dak., was unanimously elected president of the club to succeed Col. A. Victor Barnes of New Canaan, Conn., who held the office for two years. The report of the secretary, R. M. Gow, showed that an increase of more than 20 per cent in the registration of thoroughbred Jerseys had taken place in the past year. Total membership in the club was set at 1,061, an increase of thirty-three in a year.

Section 2

Agricultural Products Value

An editorial in Nebraska Farmer for June 2 says: "The gross earnings of the Canadian national railways on the lines operated in Canada in 1926 were $283,193,137.57. For the same period, the gross returns of the Central Selling Agency of the Canadian wheat pool were $309,746,292.32. The Canadian railways are the largest utilities in our sister country. The Canadian wheat pool is the largest commodity marketing organization. The railways represent a large number of stockholders. The wheat pools represent 148,000 farmers. That the railways could be operated with uniformity was long since admitted. That 148,000 farmers could pool their interests and sell their product under uniform management was not admitted until about five years ago. The principles of big business are the same whether applied to utilities, industry or agriculture. The stockholders in a given industrial enterprise pool their money and place control of it in the hands of capable executives. Farmers may pool their commodities and under proper management secure the same results that the stockholders in industry obtain. It is toward this goal that those most thoughtfully interested in a permanently prosperous agriculture are working. The handicaps are many, but progress is being made. Over one-fifth of the agricultural products in the United States were sold cooperatively by producers last year. This really is not as important as it sounds, for many of these cooperatives were small and limited their activities to the primary agencies of distribution. But even this is a step toward the big business cooperative which handles the product from the grower to the processor, and, in some cases, to the ultimate consumer. If we as farmers can fix our gaze and our purpose upon this goal, and refuse to be swerved from it by temporary expedients, another decade will see organized commodity marketing by producers as the biggest business in this country."

Chain-Store Flower Trade

An editorial in Southern Florist for May 25 says: "In a Louisville, Ky., news letter in one of the journals of the trade we find this paragraph: 'Louisville florists have viewed with some alarm the increasing competition from outside interests, such as chain grocery stores, ten-cent stores, department stores, etc. Just recently one of the principal units of the Piggly-Wiggly chain of grocery stores installed a cut flower department in its Fourth Avenue store, near Broadway, in the heart of the retail floral section of the city....It is feared that such methods will result in lower prices and mean competitive conditions....' As the Southern Florist has observed on previous occasions, the chain-store method of merchandising is rapidly gaining ground, and it is not to be expected that flowers will be overlooked by the enterprising financiers who are exploiting this plan. What can the florists do to maintain their position in the face of this tendency?...In any event, the future growth of the flower business, to our way of thinking, lies in such an extension of the market as will make every American family at least an occasional buyer of flowers. This calls for educational publicity, and also for the elimination of every penny that can be eliminated from the selling price of flowers. This again involves the highest possible efficiency in the economical production of floral stock, and the adoption of merchandising methods which by their efficiency make possible a minimum of overhead expense and a minimum of gross profit...."

Irish Electrification Plan

A description of the Shannon electrification scheme in Irish Trade Journal for May sums up the position as follows: "The movement is regarded as an expression of the Government's intention to make the Irish Free State independent of coal imports and to develop agriculture and industry, in so far as cheap electricity can contribute thereto. The works at Limerick have developed on schedule, both in regard to the progress of the work and its cost, so that according to present prospects Shannon power will be available in 1929 in Dublin and other parts of the Free State. The problem of doubling the current consumption in five years will call for a rigorous campaign in every town and hamlet and on many farms; experts who have engaged in similar enterprises in other countries believe that such an expansion can be made through a well-managed campaign."

Livestock Breeding In Oklahoma

An editorial in Farm and Ranch for May 26 says: "A survey made last winter among 125 farmers in the Oklahoma wheat belt, all of whom diversified with livestock, proves that better breeding means better prices and more profits. This survey shows that farmers using purebred bulls received 34 per cent more per head for cattle sold on the market than farmers received who used scrubs and grades. The survey also shows that farmers using purebred boars received 31.6 per cent more for hogs sold on the market than was received for hogs sired by grades. The increased per cent received for sheep and lambs amounted to 37.6 per cent. In this section of Oklahoma, 58.3 per cent of the farmers owned purebred bulls and 35.19 per cent of those who do not own purebred bulls were able to use their neighbor's. Purebred boars and sows were owned by 27 per cent of the farmers in the survey. Oklahoma is coming forward rapidly in the production and finishing of steers, hogs, and lambs for the market. The wheat farmers seem to be taking the lead in diversifying with livestock, and to their credit they show an appreciation for purebred foundation stock."

Prices and Production

Would higher prices for agricultural commodities result in increased production? Doctor Warren, noted agricultural economist of Cornell University, recently made the following comment on this question: "The common statement that any price improvement would cause increased production of food is based on the naive assumption that present prices would cause present production to continue. Government statistics indicate a decline in food production, and an even greater decline in provision for future production. Increase in price does not necessarily result in increase in production. It may result in a less rapid decrease than otherwise would occur." (Montana Farmer, June 1.)

Production and Distribution

Paul M. Mazur writes under the title "After Mass Production--What?" in The American Review of Reviews for June. He says in part: "It is a dramatic picture that is presented by the struggle of those two Titans of industry, Mass Production and High-Pressure Distribution. Although father and son, they are assiduously engaged in throttling each other. The fact that one was begotten by the other to meet the needs of efficient manufacturing schedules in no way modifies the fatal potentialities that lie in the struggle between them....It is not difficult to see the essential interdependence and mutual antagonism that exist between mass production and high-pressure distribution. Mass production means economy of manufacturing and high

wages. It requires large sales volume, continuity of production, and standardization of product. But above all, efficient mass production requires large sales volume....There are interesting days ahead of American industry. There is no basic reason for alarm. But there is every reason for careful analysis of the various forces and factors which are likely to influence prosperity; and upon this analysis sound policies should be built. We are a Nation rich in raw materials and happy in our situation. But though a gift-horse should not be looked in the mouth, the work horse requires care and protection. This is a land of opportunity. There is danger to that opportunity, if we remain too much a land of opportunism."

Public Utilities and Agriculture

An editorial in The Journal of Commerce for June 6 says: "There are numerous elements in the general business community which have, were it but realized, reason enough to be interested in the working out of constructive agricultural policies in this country. Perhaps the newest recruit is, however, the public utilities group. These interests, or some of them, now report good success and prospects for further profits from farm installations in sundry parts of the country. Of course the profitability of electrification of farm enterprises and the like depends in the long run upon a soundly based system of agriculture. Public utilities executives might accordingly find it well worth their while to give some time and attention to the problems that must be solved in order to place the farm producer on an even footing with the rest of the community....The electric light and power companies have a more direct stake in farm prosperity than a good many other groups and, moreover, are not at the present time so vitally concerned with the maintenance of artificial support afforded to many other elements in the community. They would do well to give this matter some careful thought."

Russian Conditions

"The Stalin Dictatorship" is reviewed at length in The Nineteenth Century for May by Capt. Francis McCullagh, who says in part: "Stalin never said one word that could, by any ingenuity, be twisted into an admission that there is some good in capitalism or in Christianity, or in Englishmen or Americans, and, on the other hand, he has hundreds of times declared that he is out to deceive us, to swindle us, and to take advantage of our difficulties. And he has gone further than mere words. He has helped the Communist movement in China, France, Germany, Japan, Sweden; and is apparently ready to help it in India, probably in a more subtle, and therefore a more dangerous, way than Trotsky would have helped it. All his speeches at the fifteenth Communist congress were a repetition of those revolutionary doctrines familiar to those who have followed Soviet utterances during the last ten years. The burden of his message is that the West wants markets; that the struggle for markets causes jealousies and hatreds among the capitalist countries; that these jealousies and hatreds will eventually cause war; and that another European war will give Bolshevist Russia her chance. It is quite true that Stalin had made various concessions to the kulaki (rich peasants) in the sense that (1) they might lease land, and (2) might employ hired labor; but in all his public utterances he gives not the least grounds for believing that he means to come to terms with the West. On the contrary, he denies this consistently, continually, and sometimes with a savage vigor of language. He announces (1) that the monopoly of foreign trade is the keystone of the Soviet foreign policy; (2) that payment of her

debts by Russia is only a carrot to be dangled before the bourgeois donkey, with the object of obtaining credits; (3) that everything possible in the shape of money and brains is to be got out of foreign capitalists, and nothing is to be given in return....What has happened in Russia is that the Communist Party has split in two, and that, consequently, the strength of the force which keeps the Russian people in subjection has been reduced by one half. Secondly, Bolshevism has lost its attractions for Russian idealists, and for the Communist idealists of all countries....The stability of Stalin's dictatorship is still further threatened by the number of White Russians now employed by it, after having nominally become Bolsheviks; by the profound disillusionment of the industrial workers; by the increased unemployment; and by the failure of the World Revolution to materialize."

Section 3

MARKET QUOTATIONS

Farm Products Livestock quotations on the Chicago market on slaughter steers, good and choice, $13.40-$14.85; cows, good and choice, $9-$11.75; heifers, good and choice, $13.25-$14.60; vealers, good and choice, $11.50-$15.50; feeder and stocker steers, good and choice, $11.75-$13; heavy weight hogs, medium, good and choice, $9.45-$10.15; light lights, medium to choice, $7.60-$9.70; slaughter pigs, medium, good and choice, $7.25-$8.40; slaughter lambs, good and choice, $17.35-$19.10.

South Carolina Cobbler potatoes $3-$4 per cloth-top barrel in city markets. Florida Spaulding Rose $3.50-$4.50 per double-head barrel in the East. Maine sacked Green Mountains $1-$1.65 per 100 pounds in a few cities; mostly 40¢-45¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.20-$1.30 carlot sales in Chicago; 75¢-85¢ f.o.b. Waupaca. Florida Tom Watson watermelons, 24-26 pound average, ranged $425-$470 bulk per car in New York City; $300-$400 f.o.b. Leesburg. California Salmon Tint cantaloupes $3-$3.75 per standard 45 in consuming centers; $1.35-$1.40 f.o.b. Brawley. Texas Yellow Bermuda onions $1-$1.50 per standard crate in city markets; low as 85¢ in New York City.

Average price of Middling spot cotton in 10 designated markets declined 29 points to 20.06¢ per lb. July future contracts on the New York Cotton Exchange declined 30 points to 20.36¢, and on the New Orleans Cotton Exchange they declined 30 points to 20.18¢.

Grain prices quoted: No.1 dark northern spring wheat (13% protein) at Minneapolis $1.64¼-$1.69¼; No.2 red winter, Chicago $1.74¾; Kansas City $1.58-$1.64; No.2 hard winter (not on protein basis) at Chicago $1.50½; Kansas City $1.45-$1.47; No.3 mixed corn, Chicago $1.06½; Minneapolis $1-$1.01; Kansas City 98¢-99½¢; No.3 yellow corn, Chicago $1.07½-$1.09; Minneapolis $1.03-$1.05; Kansas City $1.03½-$1.04½; No.3 white oats, Chicago, 68¢-71½¢; Minneapolis 63¼¢-64½¢; Kansas City 67½¢-68½¢.

Closing price of 92 score butter at New York was 44¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 24¢-25½¢; Single Daisies 25½¢; Young Americas 26¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXIX, No. 58 Section 1 June 8, 1928.

INTERNATIONAL DEBTS

Politics and economics should be separated, and the obligations of international debts should be sold to private investors, if world peace is to be assured, Owen D. Young declared in an address yesterday at the commencement exercises of Bryn Mawr College. "In Europe these debts are considered merely political debts," he said, "and not a matter of actual material credit. People abroad do not look upon them in the same light as Americans." (Press, June 8.)

STABILIZATION OF THE FRANC

A dispatch from Paris yesterday to The New York Times says: "No direct affirmation of the French Government's intention to stabilize the franc legally, and to put it on a gold basis, was made in the Ministerial declaration of policy which Premier Poincare read to the Chamber of Deputies this afternoon. As was expected the Premier contented himself with allusions to the desirability of returning to the gold standard and with words of caution as to what must be done before and after that event. He, however, still keeps his hands free to act suddently and definitely, when the right moment arrives. Within his Cabinet, it was stated to-day, the Premier had managed to reduce, in some measure, the opposition which has existed until now to stabilization at the present rate...."

MUSCLE SHOALS

An Associated Press statement to-day says: "President Coolidge exercised his prerogative of a pocket veto on the Muscle Shoals bill by his failure to sign the measure by midnight last night. The 10-day period, in which he had to sign the bill or disapprove it by failure to act, ended then. However, much controversy has arisen over the validity of the Pocket veto power. In the opinion of White House and Justice Department officials, the lack of executive approval has automatically killed the bill. Senator Norris (Republican), Nebraska, coauthor of the measure, on the other hand, takes the position that the bill automatically became a law with the failure of Mr. Coolidge to sign it.."

BROKERS' LOANS REACH RECORD

The press to-day says: "The largest total of brokers' loans ever recorded was announced yesterday by the Federal Reserve authorities. The loans aggregate $4,563,240,000, an increase of $3,774,000 over the previous week and a net expansion of $753,217,000 since the first week this year. The increase took Wall Street completely by surprise, as heavy liquidation has been taking place in the stock market all week, and a reduction in the total, or at least only a moderate expansion, had been predicted....The statement bore out reports current during the week that the principal money supplies in the market were coming from outside sources, that is large corporations possessing liquid surpluses, from foreign interests and a scattering from banks in various parts of the country...."

Section 2

Business Conditions

Increased confidence and generally favorable fundamental conditions in business have characterized the past month, according to the review of economic conditions by The National City Bank of New York. While not at peak levels, manufacturing and distribution are in large volume and although all lines are not participating equally, such inequality does not imply anything wrong with business. Employment reports and railway statistics continue to compare unfavorably with this time a year ago. "The money market has continued to tighten during the past month," the review points out, "and present indications are that the level of rates during the last half of the year will rule substantially higher than a year ago...." With regard to fundamentals, the review says: "Barring the situation in the stock market, the condition of credit and business is unusually sound, which should be the best possible reason for expecting business to surmount its handicaps. Inventories are low, and commercial indebtedness is small considering the large volume of business being done. Commodity prices are displaying a firmer tendency, which is evidence of a better demand for goods, and encourages more confident forward buying."

Farm Equipment Improvement

An editorial in Farm and Ranch for June 2 says: "Improvement is the order of the day. This is just as true in the farm machinery field as in other lines of industry. As out-of-date factory machinery is costly to the owner, inasmuch as it slows down and thus increases the cost of production, so it is on the farm. The man with the one-row cultivator can not compete with the man with a two-row machine. Time is money on the farm. The quicker and more efficient a piece of work is finished, the greater the profit in the sale of the product produced. The difference in the cost of production is often the difference between profit and loss. It was not many years ago when every farmer had about the same kind of equipment. It was all very simple and production costs depended more upon the nature of the soil and its ability to produce than upon the labor necessary to grow and harvest. To-day this same difference exists, but there are other factors to consider. The farmer with the best and most fertile soil certainly has the advantage, but the farmer equipped with labor-saving machinery in good operating order will produce for less every time....Farming has developed into a complicated and up-to-date business."

Farmers' Insurance Problems

At the eleventh annual conference of the American Country Life Association to be held at the University of Illinois, Champaign-Urbana, Ill., June 21, a special group meeting will be held for the discussion of farmers' insurance problems. The association invites insurance men who have had contact with the farm problems to attend the meeting and to contribute to the discussion. (Press, June 6.)

Milk Consumption

An editorial in Dairy Produce for June 5 says: "That the dairy industry is making progress there is no doubt and that it will continue to progress is equally certain. That the greatest progress will be in market milk for a long time to come, rather than in the products of milk, is assured because of the many agencies that are working to increase milk consumption. We speak of the work done and being done by the National Dairy Council, that organization coming first to mind when we think of the development in the milk branch of dairying. A story

written three months ago of the work of the council would be out of date to-day because its work is being constantly enlarged. Its literature is going out in ever-increasing volume and into additional hands where results in older fields of operation are being duplicated. ...The products of milk will also increase, but among them we can look for the greatest development in ice cream...."

Potash

An editorial in Ohio Stockman and Farmer for June 9 says: "Discovery of 'substantial bodies of potash salts' in Texas was announced recently by the Department of the Interior, which for several years has been trying to find enough potash in this country to release us from dependence on the foreign supply. Back in 1918 similar research had resulted in the United States being able to produce about one-fifth of its potash requirements and an industry represented by 128 plants and a capitalization of around fifty million dollars had been developed, but reopening the market to foreign potash put an end to the home industry. While prices of imported potash are now moderate we are still depending on foreign sources....The present discovery is two beds in Ector County, Texas, with a combined thickness of six feet seven inches and 1,900 feet below the surface. All this reminds us that during the war we were told that potash was not essential in fertilizers, but time and experience have shown that it is essential in many cases. The drift of opinion appears to be toward the use of all three elements, or toward more extensive use of the so-called complete fertilizer."

Poultry Standardization in South

An editorial in Southern Ruralist for June 1 says: "Since January 1, 3,789 carloads of live poultry have been shipped into the markets of New York City. Of this total, 1,256 were supplied by the Southern States. As usual, Missouri led the list with 564 cars. However, Tennessee with 554 cars is second and close to the top. Oklahoma follows in third place with 471, Kentucky in fourth with 348, and Texas in fifth place with 312. Practically all the shipments to the New York market originating in nearby States are handled by express. Even so, total express shipments when converted into carload equivalents showed only 173¼ carloads. The contribution from New York State itself was around 70 cars. These figures indicate that the Southern States are taking advantage of their peculiarly fortunate climatic conditions and are supplying these big commercial and industrial centers with their poultry requirements when shipments from other sections are at low tide. Undoubtedly the winter months in the big markets offer splendid opportunity for our southern poultry producers. The greatest trouble is, of course, the matter of slipshod methods of marketing. Little has been done up to the present time to introduce order either into the production of poultry and poultry products or into the marketing of these products when they are ready for sale. Until the producer is in position to supply a clean, wholesome, standardized product, neither poultry nor eggs are going to move with that degree of satisfaction so necessary to put the industry on its feet to stay....The whole question of standardization is yet to be solved, and so far as we can see it has got to be solved very largely in the interest of and by farm producers....Until we can introduce pure bloods on those countless farms where mongrels yet hold sway, we are not going to get very far in our climb toward better prices. These matters are of more importance to southern

producers than to anybody else because of our matchless opportunity here to produce the best at minimum cost."

Rediscount Rates

All Federal Reserve banks went on a 4½ per cent rediscount rate June 7 following action of the board of directors of the Kansas City institution in authorizing an increase from 4 per cent June 6. The Federal Reserve Board announced approval of the action, according to the press of June 7. Rise in the rediscount rates started with the Boston and Chicago banks. The rate increases followed a period of "easy money" last fall and a period of remarkable activity on the stock market. The jump to 4½ per cent, however, had no apparent effect on speculative activity.

Research Scholarships

An editorial in Ohio Stockman and Farmer for June 9 says: "The American Economic, Statistical, Psychological, Sociological, Political Science, Historical and Anthropological Societies have cooperated to form what they call the Social Science Research Council. And this council has resolved to spend $150,000 during the next five years in scholarships for those who are engaged or will engage in agricultural research. The council's investigation shows an 'urgent need' for trained investigators in agricultural research; also that the training of those engaged in such research 'is on the whole far behind that of the group engaged in research in industry.' Apparently this opinion is founded, in part at least, on the comparative scarcity on agricultural staffs of men holding the degree of doctor of philosophy. That is not a safe basis for an estimate of the ability or usefulness of any agricultural group, but let it pass. The important thing is that the council means to help enlarge and improve the staff of men engaged in agricultural research; and while we admit no inferiority except in numbers we welcome anything that promises more and better research in agriculture."

Southern Agricultural Education

An editorial in Manufacturers Record for May 21 says: "'Why do 90 per cent of the boys educated in agricultural colleges decline to go into agriculture?' is a question which a leading business man of the South, intensely interested in farm prosperity, stated to the Manufacturers Record that he would like to put to the presidents of southern agricultural colleges. Feeling sure that he was dead wrong in this intimation, the Manufacturers Record asked this question of the president of every State agricultural college in the South. The replies are overwhelmingly against the intimation of this southern business man. They show that he was not at all acquainted with the subject he was discussing, and that on the contrary southern agricultural colleges can make a showing directly opposite to his views, a showing which should forever set at rest the thought that these colleges are not doing a remarkable work for agricultural activities in the South. A good per cent of the graduates of these colleges are engaged directly in farming, while most of the others are teaching agriculture and handling demonstration farms or engaged in kindred activities connected with agriculture, their services being made valuable by the education they have received. Many of these boys have had to work their way through college, and they are wholly unable financially to purchase and operate a farm at once, much as they would like to do so, and if the business men of the South would cooperate

with these would-be-farmer boys to a greater extent than they are doing, they would stimulate in generous measure the agricultural prosperity of the South. Notwithstanding the large proportion of southern people who are farmers, and notwithstanding the need of skilled men in helping to bring about farm diversification and prosperity, the Southern States have been niggardly in their appropriations for southern agricultural colleges...."

Section 3
MARKET QUOTATIONS

Farm Products June 7: Livestock quotations at Chicago on slaughter steers, good and choice, $13.40-$14.75; cows, good and choice, $9-$11.75; heifers, good and choice, $13.25-$14.75; vealers, good and choice, $11.50-$15.50; feeder and stocker steers, good and choice, $11.75-$13; heavy weight hogs, medium, good and choice, $9.35-$10.05; light lights, medium to choice, $7.60-$9.60; slaughter pigs, medium, good and choice, $7.25-$8.50; slaughter lambs, good and choice, $16.75-$18.75.

South Carolina Cobbler potatoes $3-$4.25 per cloth top barrel in eastern cities. Florida Spaulding Rose $3.50-$4.25 per double-head barrel in city markets. Wisconsin sacked Round Whites $1.30-$1.35 per 100 pounds carlot sales in Chicago, mostly 80¢-90¢ f.o.b. Waupaca. California Salmon Tint cantaloupes $3-$3.50 per standard 45 in terminal markets; $1.35-$1.40 f.o.b. Brawley. Florida Tom Watson watermelons 24-26 pound average, $395 bulk per car in New York City; 24-28 pound average $200-$350 f.o.b. Leesburg. Texas Yellow Bermuda onions $1.15-$1.50 per standard crate in consuming centers. California stock $1-$1.65 in city markets.

Closing price of 92 score butter at New York was 44¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 24-25½¢; Single Daisies 25½¢; Young Americas 26¢.

Average price of Middling spot cotton in 10 designated markets advanced 16 points to 20.22¢ per lb. July future contracts on the New York Cotton Exchange advanced 15 points to 20.51¢, and on the New Orleans Cotton Exchange they advanced 17 points to 20.35¢. On the Chicago Board of Trade July futures advanced 14 points to 20.44¢.

Grain prices quoted: No.1 dark northern spring wheat (13% protein), Minneapolis $1,61 1/8-$1,66 1/8; No.2 red winter at Chicago $1.70; Kansas City $1.56-$1.60; No.2 hard winter (not on protein basis) at Chicago $1.47; Kansas City $1.40-$1.42½; No.3 mixed corn, Chicago $1.05¼-$1.05½; Minneapolis 99¢-$1; Kansas City 97½¢-98¢; No.3 yellow corn, Chicago $1.06¼-$1.07½; Minneapolis $1.02-$1.03½; Kansas City $1.03-$1.04; No.3 white oats, Chicago 66¢-70¢; Minneapolis 63¢-64½¢; Kansas City 67¢-78¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIX, No. 59 Section 1 June 9, 1928.

AGRICULTURE AT THE CONVENTIONS

A Chicago dispatch to-day says: "While the directors of the American Farm Federation demanded equality of agriculture with industry under the protective system in completing yesterday the demands they will place before the National Republican and Democratic Conventions, their program omitted any mention of the equalization fee of the McNary-Haugen bill. Apparently they have reached the conclusion that to insist on it will be futile. Both conventions are to be asked to pledge the parties to an agricultural policy making the farmer's dollar equal in purchasing power to that of industry and other groups....Legislation is asked to aid cooperative marketing by placing the cost of distribution on the entire volume of the product marketed. Sam H. Thompson, president of the federation; Edward O'Neil, vice president, and C.E.Hearst, president of the Iowa federation, were selected to put the farmers' case before the convention."

The resolutions adopted are, in part, as follows: "That there is a real and vital agricultural problem is keenly appreciated by all informed men. The evidence is all too convincing that agriculture has not been receiving its fair share of the national income. It has been clearly established that those engaged in agriculture, constituting a third of the population of the country, receive only approximately 8 per cent of the national income. A remedy for this condition must be found. That remedy must be permanent and effective. It is the obligation of the party to meet this issue squarely and without delay. We, therefore, pledge the party forthwith to initiate and enact legislation that will secure for agriculture a place of equality along with industry, finance, labor and other groups in our American protective system, thereby guaranteeing to the agricultural dollar a purchasing power equal to that of the other groups.

"It has been demonstrated that cooperative marketing is fundamentally sound and experience has proven that the cost of distribution must be equitably borne by the entire volume of the marketing product in order to insure freedom from the need of subsidies and to guarantee permanence and independence in carrying on the marketing operations and we hereby pledge our party to the enactment of legislation to meet this requirement.

"We favor the continued cooperation between State and Federal Government in public highway construction and we favor the extension of this policy to the building of a secondary system of farm to market highways. We favor the project to connect the Great Lakes with the Atlantic Ocean and the Gulf of Mexico by means of deep waterways, and we favor further development of river transportation."

RADIO BEAM

A London dispatch to-day reports that further developments in wireless communication, the direct outcome of Senator Marconi's recent experiments, are expected soon in the form of simultaneous transmission of wireless telephony and wireless telegraphy over the beam system. Tests are being made over the Atlantic with apparatus which, it is asserted, will operate two high-speed telegraph circuits simultaneously with one duplex telephone circuit, utilizing the same transmitter and aerial, and having only one wave length for all three circuits.

Section 2

Canada Imports Reindeer — An Ottawa dispatch June 7 states that importation of herds of reindeer into the Mackenzie Basin to supply food for the Easkimo bands which inhabit that remote part of Canada is being undertaken by the Government. Herds of reindeer are being brought into the Mackenzie Basin by the Government in cooperation with private interests.

Dairymen's League Meeting — The New York Times June 6 reports that more than 3,000 milk producers of New York, New Jersey, Pennsylvania, Vermont, Massachusetts and Connecticut will attend the annual meeting of the Dairymen's League Cooperative Association, Inc., in Rochester on June 21, according to a league announcement. Nearly 1,000 of those at the meeting will be delegates of local units of the association. They will represent 40,000 organized dairymen of the Eastern States.

Electrical Development — An Atlantic City dispatch to the press of June 8 reports: "Predicting that 1929 should be a year of the electrical industry's greatest commercial achievement if plans now being formulated for cooperative marketing are carried through and supported by all branches, W. W. Freeman, president of the Society for Electrical Development June 7 called on delegates to the N.E.L.A. convention to prepare themselves for the most intensive marketing and advertising campaign ever undertaken. The Society for Electrical Development was reorganized last year, and plans an active future. It includes the National Electric Light Association, the National Electrical Manufacturers' Association, the National Electric Railway Association and the Electragists, International, the contractors' group...." (Press, June 8.)

Land Surveys — An editorial in Wallaces' Farmer for June 8 says: "Governor Smith, of New York State, has shown some appreciation of the New York agricultural problem by appointing a committee, one of whom is Dr. G.F.Warren, that sterling friend of agriculture, to make a rough land survey of New York State to determine what land now in farms should really be in timber. It might be worth while to make a similar survey in Iowa. We have at least one million acres of land in corn which should be in grass, and we have some land in grass which should really be in timber. It would be a good thing for the State of Iowa if the one million acres of land least adapted to farming could be bought up by the State and put down to timber and grass. Every State in the country could follow a program of this sort with profit."

Section 3

Department of Agriculture — An editorial in Wallaces' Farmer for June 8 says: "During the crop season, all sorts of private agencies try to find out how the corn is coming on, what the wheat looks like, and how many pigs are to be marketed. So does the Department of Agriculture. Many farmers are suspicious of these questions, and refuse to answer any. We think they are making a mistake. The reports worked out by the Department of Agriculture are worth a lot to farmers. Take the June pig survey, now being made. This will show farmers how big a hog crop is likely to come on the market, and will furnish good tips as to whether to send sows to market or keep them and breed more. Crop and livestock information that is gathered by impartial agencies, that is made public, is bound to help the farmer both in producing and marketing.

The case is different with private agencies that do not give the facts they find to the public. There is no reason why farmers should help in getting these reports, and several good reasons why they shouldn't. But don't confuse these inquiries with the entirely legitimate and desirable surveys made by the Government for the benefit of agriculture."

Section 4
MARKET QUOTATIONS

Farm Products June 8: Livestock quotations at Chicago on slaughter steers, good and choice, $13.40-$14.75; cows, good and choice, $9.25-$11.75; heifers, good and choice, $13.25-$14.75; vealers, good and choice, $12-$14.75; feeder and stocker steers, good and choice, $11.75-$13; heavy weight hogs, medium, good and choice, $9.40-$10.05; light lights, medium to choice, $7.75-$9.60; slaughter pigs, medium, good and choice, $7.25-$8.50; slaughter lambs, good and choice, $16.50-$18.65.

South Carolina Cobblers $3.25-$4.50 per cloth top barrel in city markets. Florida Spaulding Rose $3.75-$4.50 per double-head barrel in New York City. Wisconsin sacked Round Whites $1.25-$1.35 per 100 pounds carlot sales in Chicago; 85¢-95¢ f.o.b. Waupaca. Florida Tom Watson watermelons 28-30 pound average, ranged $430-$435 bulk per car in New York City; 24-26 pound average, $200-$300 f.o.b. Leesburg. California Salmon Tint cantaloupes $3-$3.50 per standard 45s in consuming centers; $1.35-$1.50 f.o.b. Brawley. Eastern Shore Maryland and Delaware various varieties of strawberries ranged 6-13¢ quart basis in the East. Missouri and Arkansas Aromas $3-$3.50 in the Middle West.

Average price of Middling spot cotton in 10 designated markets advanced 2 points to 20.24¢ per lb. July future contracts on the New York Cotton Exchange advanced 2 points to 20.53¢, and on the New Orleans Cotton Exchange they declined 1 point to 20.34¢.

Grain prices quoted: No.1 dark northern spring wheat (13% protein) at Minneapolis $1.66¾-$1.70¾; No.2 red winter, Chicago $1.69½; No.3 mixed corn, Chicago $1.03½-$1.04; Minneapolis 97¢-98¢; No.2 hard winter (not on protein basis) at Chicago $1.46½; No.3 yellow corn, Chicago $1.04½-$1.05; Minneapolis $1-$1.01; No.3 white oats, Chicago 65½¢-72¢; Minneapolis 62¾¢-64¼¢.

Closing prices of 92 score butter at New York was 44¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 24½¢-25½¢; Single Daisies 25½¢; Young Americas 26¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIX, No. 60 Section 1 June 11, 1928.

FARM TARIFF REVISION IN CAMPAIGN

A Kansas City dispatch to-day says: "Demand for tariff adjustments by the farmers and by industrialists will lead to the inclusion of a strong tariff plank in the Republican platform and, in the opinion of party leaders sharing in yesterday's discussion, will make the tariff a leading issue in the campaign and lead to a general revision of the tariff in the Seventy-first Congress if the Republicans have control. The economic issues are surging more strongly to the front as the Republican chieftains arrive and the Resolutions Committee hears from the business world with hundreds of suggestions. It is apparent from the present trend of opinion, as reflected by those shaping the platform, that the party's desire is to emphasize policies that will aid business and help restore the farmers to parity with industry...."

THE PRESIDENT ON NEW SHOALS MEASURE

President Coolidge June 9 assured Representative Almon, of Alabama, that upon his return from Wisconsin next fall he would be glad to confer and cooperate with Senators and Representatives interested in the disposal of the Muscle Shoals problem, with a view to drawing up a bill which would be agreeable to all parties concerned. (A.P., June 10.)

CUBAN SUGAR

A Havana dispatch June 9 reports that the Cuban National Sugar Commission, concluding a series of conferences June 8 with President Machado, received his approval to withhold 300,000 tons of sugar from the United States export quota, reducing it from 3,500,000 tons. Disposal of this sugar will be decided to-day. It is expected that it will be held by the Government for sale in Europe.

RURAL DOCTORS

An Albany dispatch to-day states that Prof. Franklin H. Giddings of Columbia University, at a meeting of the trustees of the Albany Medical College yesterday, predicted "a serious national economic catastrophe" unless more young doctors were influenced to enter rural practice. "If the ranks of the country doctor continue to diminish at the present rate," Doctor Giddings said, "the time is not so far off when the insecurity of life and health in agricultural areas will make living in rural districts far from the large urban centers hazardous. He characterized the Albany Medical College's program for increasing medical attendance in northeastern New York as the first definite attempt by a medical college to solve the rural medical problem.

Section 2

Business and Farmers

An editorial in Chicago Journal of Commerce for June 7 says: "Magnus W. Alexander, president of the National Industrial Conference Board, has said in an address at the New Jersey State agricultural conference that 'it is unfortunate, though probably it was inevitable, that heretofore most major attempts to deal with the causes of agricultural discontent were drawn into the maelstrom of political conflict and that what essentially is an economic problem so often has been made the football of politics.' This is indeed unfortunate; but, as Mr. Alexander points out, it was inevitable. The inevitability arises from the fact that the farmers have had to go into politics in order to draw an admission that their discontent was soundly based. The National Industrial Conference Board has more than admitted this in the past; but it must be said for industry and other business in the country as a whole, and particularly in the East, that such an admission has not heretofore been made. The general attitude has been to condemn the farmers on the ground of inefficiency, although, as the Conference Board recently reported after an exhaustive study of the quarter-century from 1899 to 1924, the increase in productive efficiency in American agriculture in that period was practically the same as the increase in the productive efficiency of industry. 'The agricultural problem, multiple as are its ramifications, is essentially a national problem of deepest concern to every citizen, no matter what his status or occupation in life,' says Mr. Alexander. 'To study the problem and to cooperate in its solution is a matter of enlightened self-interest for the business man as well as a matter of common national interest.'...."

Citrus Marketing in Florida

Manufacturers Record for June 7 says: "After years of discussion, and sometimes of rather unkind bickering between growers and shippers of citrus fruits, some of the foremost business men of Florida have formed an organization designed to benefit the grower in the financing and marketing of his crop, and thus enlarge the prosperity of the State. This comprehensive plan is headed by J.C.Penney, one of the most widely known business men of America, and his associates are among the foremost business men in Florida. Mr. Penney's interest in agricultural betterment is so great that he has consented to head this organization, with the agreement, however, that neither he nor his associate, Burdette Lewis, who will be identified with it, is to receive any salary whatever. In this is to be found a suggestion of how other great business leaders of the country should see the necessity for the ablest men in America, without financial remuneration of any kind, to cooperate in putting agriculture on its feet. This move should very greatly enhance the prosperity of Florida, and systematize the citrus industry to the advantage of growers and consumers alike."

Cooperation

An editorial in Farm and Ranch for June 2 says: "The unorganized condition of agriculture has been the theme of many wails, and the cause of its neglect and disrepute. This, despite the fact that there are scores of farm organizations of state-wide scope, and several which may be recognized as national, to say nothing of the thousands of local associations formed and conducted in the interests of agriculture or animal industry in one phase or another. It is manifestly hopeless to assume that all farmers or stockmen will ever

become members of any one organization. The divergence in schools of thought, the ambitions of organization leaders, the widely diverse interests existing in various agricultural fields, and the lack of understanding on the part of the mass of farmers, present obstacles to oneness of thought and purpose that appear insuperable. But the case is not so hopeless. Farm and Ranch believes that every organization, every subdivision of agricultural interests, every school of thought, has men who sincerely desire the greatest good to the greatest number, and are willing, even anxious, to rise above petty differences and seek common ground on major issues, on which all can stand together for the good of the whole. This thought was expressed in these columns two years ago. More recently it has been given life by the formation of an organization based on the broad idea of cooperation among all organized farmers. The Texas Federated Agricultural Association, formed on the call of R.M.Kleberg, president of the Cattlemen's Association, is the concrete expression of a belief in the unity of interest between all agricultural interests, and through them the best interests of all the people. The Federated Agricultural Association has had only a few months of life, and has held one called meeting. The result of that meeting is sufficient evidence that the various cooperative and other organizations participating are capable of overlooking points of difference while they consider matters of fundamental importance. When every organized farmer participates in its councils through the representation from his organization, Texas will see a 'super-power' in agriculture more potent than mere horse power, whether expressed in mules, gasoline engines, or electricity."

Dairy Business An editorial in Southern Agriculturist for June 1 says: "It would be well for every rural community in the South to consider seriously at this time the development of the milk industry. No other industry is so potential as a constructive force in community building. It enables the worker to remain at home on the farm; it enriches the land without cost; it supplies lucrative work for the children who are old enough to work the year 'round without interfering with school duties; it makes the home an important producer of wealth, and is an uplifting force for the community. It brings in money every day in the year, and there is practically no danger of an oversupply of the products. It is a business with few risks. Prices vary very little, and they are always such as to guarantee a profit to those who work intelligently. The business can be conducted profitably on a large scale or on a small scale....The dairy business may be carried on in connection with regular farming, and thus will relieve the farmer from sole dependence on the 'crop' that is always extremely uncertain. This industry gives greater promise of solving the farm problem for thousands of farmers in the South than all the legislation that may be enacted by Congress for the next fifty years... "

Installment Credit A new formula for testing the individual's right to purchase goods on installment credit is proposed by J. H. Puelicher, chairman of the board of the American Bankers Association Foundation for Education in Economics, in an article in the current issue of the American Bankers Association Journal. "Installment selling as a business process is undoubtedly sound," Mr. Puelicher says. "It is the misuse that is unsound. Business needs a formula embodying that which is sound in installment selling applicable to each individual

case of consumer credit presented to it by installment selling. If each individual transaction in consumer credit conforms to the specifications of a sound formula for this class of economic process, we will develop a staunch installment selling tradition in American business--a safe consumer credit structure.

Minnesota Products An editorial in Commercial West for June 2 says: "Governor Christianson of Minnesota was a journalist before he was Governor, and he has evinced a wonderful nose for Minnesota news, and of seeing important stories affecting the power and progress of his State in such quiet factors as the dairy cow, for instance, which makes Minnesota ahead of all other States in the Union in the production of butter, and which gives the State an income of $170,000,000 a year; in field crops which produce to the value of $372,000,000 a year; in cattle, hogs and sheep bringing $166,000,000 a year; in poultry $46,000,000; and potatoes over $20,000,000...."

Russia's Crops Walter Duranty, writing in The New York Times of June 5, says: "Great interest has been aroused in all circles of Moscow, native and foreign, by Joseph Stalin's statement that the poorer and middle class peasants--that is over 100,000,000 of the Soviet population--now produce and consume six-sevenths of the total grain crop. Before the war these classes produced and consumed only half of the average crops. The total production now is only a fraction of the production before the war...."

An editorial on the subject in the same issue says: "A startling change in Russian grain conditions is made public by Joseph Stalin, who is the supreme power in the Soviet Union. The amount of grain available for the domestic market has fallen to one-half of the pre-war stocks. The grain exports have fallen to one-twentieth of the pre-war figures....Mr. Duranty cites detailed Soviet figures to show that this has actually come to pass. Before the war the poorer peasants grew half of the crops and consumed seven-eighths of that amount without rising far above a semi-starvation level. The huge Russian grain exports of those years, running from eight to twelve million tons annually, were drawn from the richer peasant farms and the landowners' estates. To-day the poorer peasants raise 85 per cent of the crops and consume an even higher ratio than before the war. The figures given by Mr. Duranty would work out to the following effect: Before the war 100,000,000 Russian peasants had to maintain life on less than 40 per cent of the crops. To-day they consume nearly 75 per cent of them. In this fact Stalin finds compensation for the difficulties he faces as the result of the vanishing export surplus. The Soviet Government's foreign trade difficulties are immensely increased, but the mujik is much better fed. It remains to develop a system of large State farms, growing food for foreign exports, to take the place of the surplus formerly supplied by the rich peasants and the landowners....Actually, there is ground for believing that Stalin's explanation does not tell the whole story. The change, to the extent it has taken place, must have already been in effect a year ago. Yet in the first half of the year 1926-27 the grain exports were about 2,000,000 tons, or 25 per cent of the pre-war exports, whereas now they are reported down to 5 per cent. The more potent reason lies in the chronic problem of grain prices in relation to food prices....."

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